NATIONAL OPEN UNIVERSITY OF NIGERIA

MBA 833

Industrial Relation

Module 4

MBA 833 Industrial Relations
Module 4

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Published in 2021 by the National Open University of Nigeria

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Unit 1 Forms and Techniques of Workers' Participation in Organisational Affairs

1.0 Introduction

The realm of industrial democracy is the subject of elaborate analysis in the preceding unit. You will recall that industrial democracy involves granting the workers some modicum of participation in the formulation of policies that affect their lives at the workplace in particular and the operations and fortunes of the organisation in general.

The pertinent question at this juncture is how can the organisation ensure the workers' effective participation in decisions that affect the quality of their work-life? Hence in this unit, you are taken through the various ways through which the organisation can ensure workers' participation in its affairs regarding the decisions that affect the operations of the organisation.

2.0 Objectives

At the end of this unit, you should be able to:

- explain the elements of worker participation
- explain various degrees of power sharing in worker participation
- identify and explain the techniques of worker participation in decision making
- mention and discuss various forms of workplace forums.

3.0 Main Content

3.1 Elements of Workers' Participation

According to Nel (2002), participation by workers consists primarily of three interrelated elements which may manifest themselves in organisational decision-making processes in a number of ways. If one of these elements is absent, worker will be unable to participate in organisation decision making. The extent to which influence, interaction and information sharing occurs will also determine the level of participation. These elements of participation are discussed below.

i. Influence

Nel (2002) holds that the highest of participation occurs when the employer and workers have equal influence in decision making. At the lowest level of participation, managers retain all the influence and make the final decision. It is however possible for worker to have a greater degree of influence over decision making while the final decision remains the prerogative of management for example when management undertakes to consider seriously the alternative proposals of workers before taking the final decision.

ii. Interaction

This element is chiefly concerned with the problem solving activity of both management and workers. Interaction, in this context, refers to their attempts to reach agreement on the actions to be taken to realise the organisation's goals. Interaction between management and workers is therefore the hallmark of participation, since it will be impossible to involve workers without any form of interaction.

iii. Information sharing

If management wishes to interact meaningfully with workers, it must be willing to make information available to them, and must be willing to consider seriously information which they provide. The aim of information sharing between manger and workers is to understand each other's viewpoints in order to a reach agreement, which of course, also presupposes interaction.

Self-Assessment Exercise

What are the critical elements of worker participation?

3.2 Degrees of Power Sharing in Participation

Nel (2002) is of the view that participation will always entail a measure of power sharing. Briefly, power may be defined as the ability on the part of someone to get something done in a particular way and or through other people.

Legitimate power refers to that power which a person has purely on the basis of the position which he or she holds. When workers (non-manager are involved in the decision making of a manger, they share the decision–making power and this power is linked to the position concerned, and therefore only the manager had power.

The degrees of power sharing from high to low are set out in Figure 1.

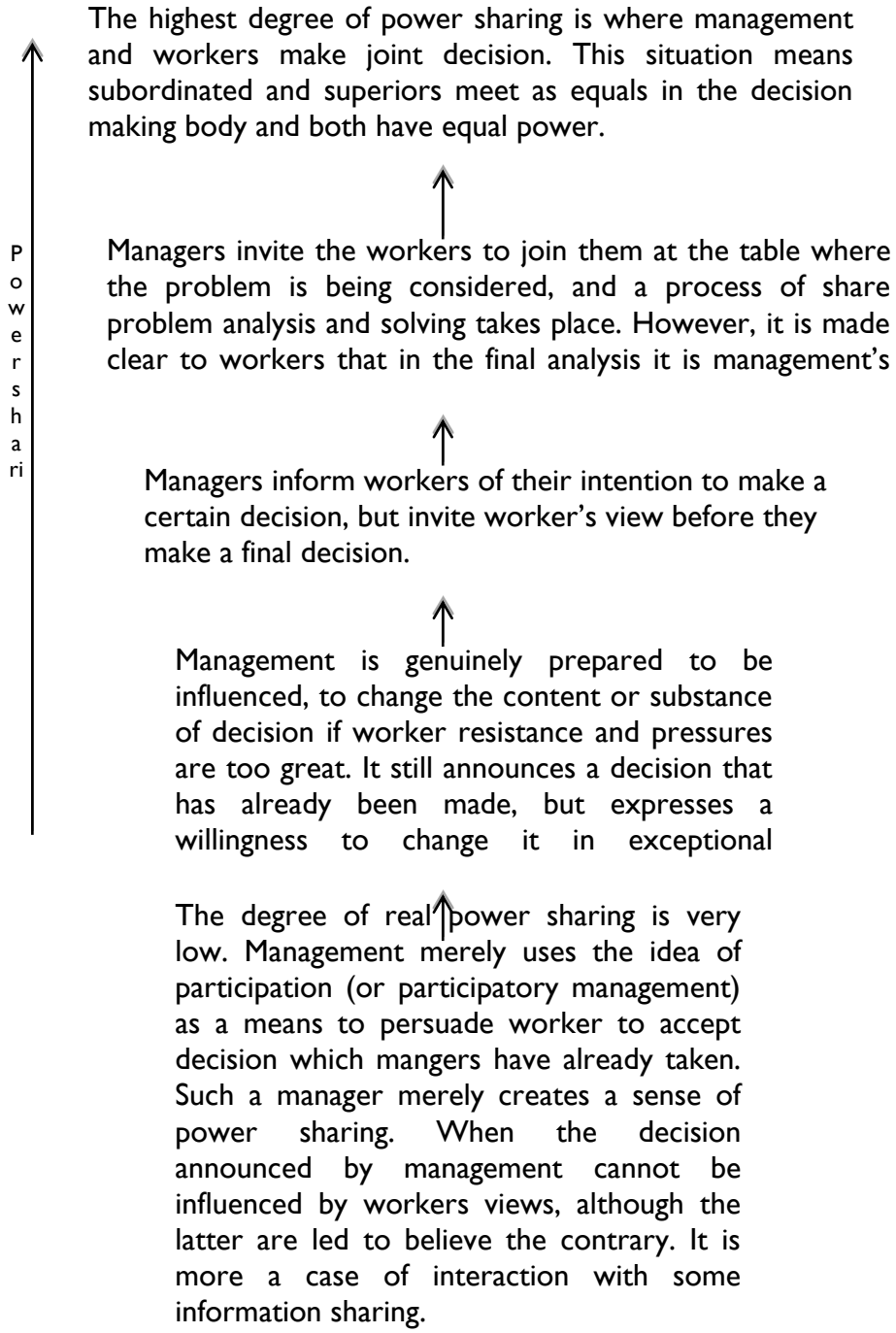

Fig. 1: Degrees of Power Sharing

Source: Adapted from Nel, P. S. (Ed.). 2002

It is clear that interaction and information sharing occur throughout in varying degrees. At the first level of power sharing, there is however no measure of influence, but as the degree of power sharing increases, so does the level of influence.

Self-Assessment Exercise

Identify and discuss the various degrees of power sharing in worker participation.

3.3 Forms of Workers' Participation

Traditionally, the role of management in organisation is seen as the management and coordination of organisational activities through planning, organising, motivating and control. The role of the worker, in turn, is to be recruited and trained to carry out specific tasks. However, the need arises to bridge this gap between the roles of management and workers. According to Salamon (1998), forms of interaction between the workers and management should be brought about by means of which workers while continuing to fulfil the role of workers can participate (directly or indirectly) in certain functions which have traditionally been classified as management functions (Figure 2).

There are various ways in which such interaction can be achieved for example through joint consultation and collective bargaining. Walker (1975) is of the view that such interaction between management and the workers is influenced by factors such as the method or degree of participation, the level in the organisation, and the scope of participation.

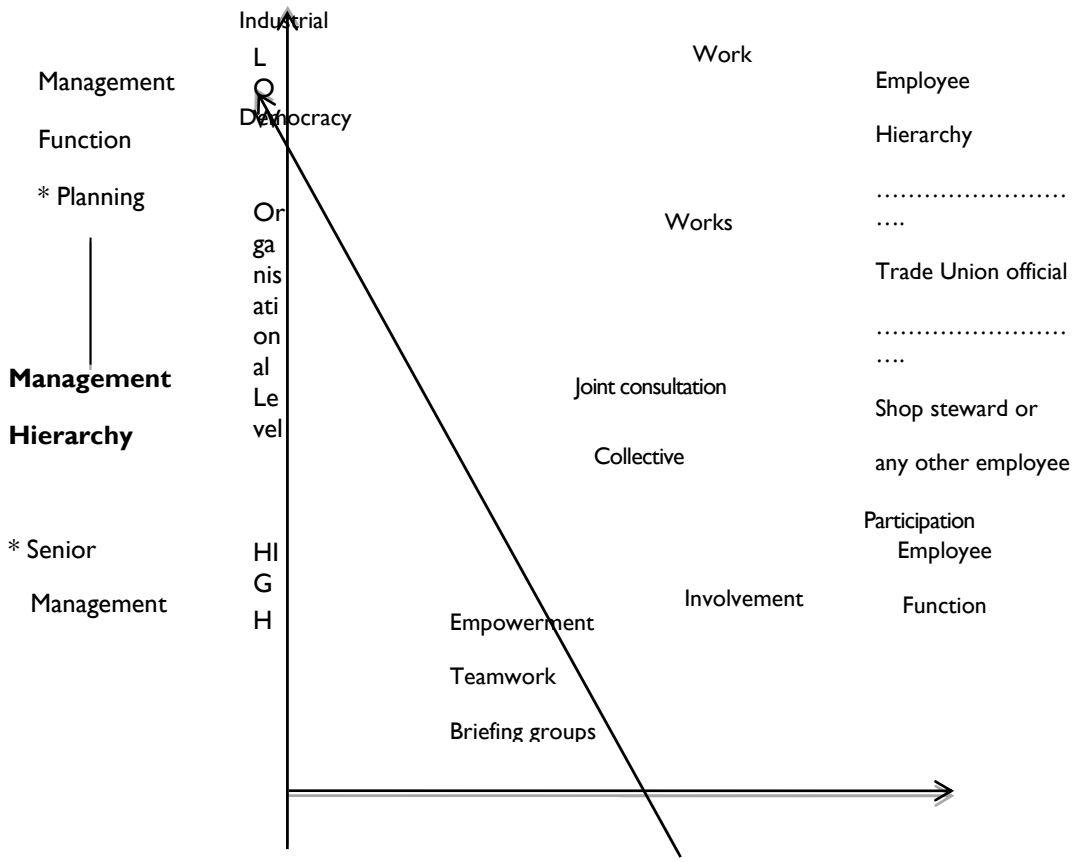

Fig. 2: Forms of Worker Involvement and Participation

Source: Salamon (1998)

Some writers propose four basic forms of participation, namely shop floor participation, works councils, collective bargaining and representation on company boards. Other forms of participation have also been developed in specialist areas such as health and safety, productivity, pension fund and training.

Nel (2002) observes that participation in the work environment can assume different forms. It can take place from within the organisation (internally) or by way of parties outside the organisation (externally). Internal participation can, in turn, also assume different forms, namely statutory or voluntary participation. Statuary bodies for worker participation include workplace forums and safety committees, while voluntary participation is achieved by means of methods such as quality circles, team work and task teams.

Participation may also be direct or indirect. Direct participation occurs when a worker participates, personally and directly, in the decision-making processes of the organisation. Usually such participation is voluntary and there is thus no form of representation.

Indirect participation**,** on the other hand, can occur only by way of representation. Workers elect representatives from among their ranks to participation in the decision-making process

on their behalf. These representatives are usually shop stewards or fellow workers who work in the same workplace. When workers are represented by persons outside the organisation, such as by full-time trade union officials, this is known as participation by way of external representation

i. Direct workers' participation

In the opinion of Nel (2002), direct worker participation customarily entails that the subordinate participants speak for themselves about work or matters related to work. It is regarded as a process of job enrichment and enlargement where the worker is offered the possibility of extending the depth and width of his work tasks, but without any control over organisational planning or goal setting.

Where the worker is involved in the process giving rise to increased productivity, it is important that he or she should share in the financial rewards resulting there from. To be of value, direct worker participation must also include the following elements:

- the provision of all information relevant to the particular task/work
- consultation regarding changes which will affect the worker
- personal involvement of the worker in the decision making process.

Direct worker participation is usually with low-level participation because this is the level at which workers operate and where they are usually best able to contribute. It is important to note, however, that without some form of direct worker participation, it is unlikely that indirect worker participation will be successful.

ii. Indirect workers' participation

This refers to all those forms of participation which occurs through representation. Normally, such forms of participation occur at higher levels in the organisation and tend to be power-centred.

There are various statutory bodies which facilitate indirect worker participation. This type of participation takes place when, in addition to their operational tasks, worker represent their fellow workers on management boards, boards of directors, works councils and other committees. Such representatives must be democratically nominated and elected, and the election procedures are usually laid down in an organisation's policy documents.

According to Salamon (1998), based on figure 2, there are two contrasting strategies in worker involvement as you can observe from the following analysis.

a. Direct forms of involvement: These forms of worker involvement (e.g. empowerment, team work, briefing groups, quality circles) focus on the individual worker or work group, and on the immediate operational situation (task centred). Such strategy may be referred to as one of decreasing involvement, since employers initiate such a development for their own purposes (involvement is offered) and, as part of the changes, power and responsibility are transferred from employer to worker in respect of a limited series of job-related decisions (e.g., work methods, task allocation, quality maintenance).

However, the content of this phase is confined primarily to the implementation phase of operational decisions that have already been taken by management. The aim of this

approach is to motivate the individual worker, to increase job satisfaction and to heighten the degree to which the worker identifies with the goals and decisions (as determined by management) of the organisation.

b. Indirect forms of participation**:** Indirect forms of participation, for example the expansion of collective bargaining, the establishment of works councils/workplace forums, and the appointment of worker directors, focus the attention on the execution of their "managerial prerogative" and on the balance of power between management and workers in the decision-making process of the organisation.

This strategy may be referred to as one of increasing participation, because it aims at protecting workers' interests by expanding their collective influence to include a wider range of decisions at higher levels in the organisation. Furthermore, the initiatives for developing these forms of participation can come from workers and their representatives. Hence indirect participation requires representatives. Thus, this form of participation is concerned primarily with extending the worker's influence by means of a process of joint decision making in respect of polices and organisational planning which, formerly, were the exclusive prerogative of management.

It should therefore be clear that a distinction must be drawn between involvement and participation. Worker involvement is regarded as extension of the power to make decisions and of business information, rewards for performance and technical and social skills to the lowest levels of the organisation. All the elements of this definition are very important.

It is instructive to note that without the power to take decisions, worker participation is merely superficial; it is naïve and potentially harmful if there is inadequate information about the organisation; rewards are necessary to bring individual motivation in line with organisational goals; and effective participation requires technical and social skills. Worker involvement is reflected in the way in which it is managed and structured rather than merely by attitudes of individuals.

Anstey (1997) identifies three types of worker involvement, namely:

i. Involvement by suggestion: It is usually generated by structures such as quality circles. These structure function in parallel with the formal organisational structure and require no change.

ii. Task involvement: It entails those forms of involvement where worker in self-regulating teams acquire greater control over day-to-day decisions which directly influence their tasks. These types of approaches automatically change the job/post deign.

iii. High–level involvement: It includes the above two approaches but goes further in that it involves workers in the management of the organisation. Far-reaching changes, including the sharing of power and information, skills development and changed human resource systems, are anticipated in such work environments.

Self-Assessment Exercise

i. Distinguish between worker involvement and worker participation. Give examples in each case.

ii. Distinguish between direct and indirect forms of worker participation in organisation.

3.4 Different Levels of Workers' Participation

Nel (2002) makes a clear distinction between three levels of participation in an organisation, namely low–level, middle-level and top-level participation. These three levels are expanded on in table 1.

Table 1: Levels of Participation

Level	Description	Decision making	Form of participation	Bodies
Low-level participation	This kind of participation usually refers to the tasks of the worker and its particular aim is to prevent job alienation. Low-level participation promotes job satisfaction and extends the scope of workers tasks.	Low-level operational work; task-based decision making.	Direct.	Team work and quality circles.
Middle-level participation	Middle-level participation occurs when, for example, a worker in a multi-plant organisation participates in the decision making process of the plant regarding aspects such as rules, regulations, disciplinary procedures, etc.	Middle–level decision making.	Indirect.	Health and safety committees, works councils, workplace forums.
Top-level participation	Top level participation takes place when workers participation in the decision making of top management.	To management and worker representative decide on strategy aspects which are of importance to the organisation as a whole.	Indirect participation from outside the organisation.	Representation by trade union officials.

Source: Adapted from Nel, P. S. (Ed.). 2002

It is clear that the higher the level of participation in an organisation, the greater the likelihood that only representation will be involved in the decision- making process.

Self-Assessment Exercise

Identify with examples, the various forms of worker participation at various levels of organisational management.

3.5 Techniques of Workers' Participation

The various worker participation techniques may be employed at any of the levels of participation or with any form of participation. Nel (2002) identifies the following techniques:

3.5.1 Participation by Suggestion

Participation by suggestion involves individual workers trying to influence employer decision making at a localised level, e.g., at plant or shop floor level. It often concerns decisions which are of direct relevance to a worker's job; the emphasis is generally on day-to-day decision making of limited application within the organisation as a whole. Methods such as speak –up sessions and suggestion-box systems may be used.

This technique focuses on offering workers an opportunity to make suggestions, for example, about the use of raw materials, technological improvements, ideas on cost saving, how to increase work efficiency by means of new techniques or equipment, improvements in communication, better supervisory practices, and the like.

There will often be committees, sometimes consisting of both worker and management representatives, whose responsibility it is to review evaluate and consider these suggestions. A worker may ask his or her shop steward to put forward a suggestion on his or her behalf. Thus, this participation is always direct in nature and may be informal.

3.5.2 Participation through Quality Circles

The concept of quality circles has generally become a very popular technique for getting lower-level workers involved in upward problem solving, and, consequently, in decision making.

Munetsi (1998) defines a quality circle as a team of workers which meets on a regular basis in order to analyse and solve worker-related problems. Nel (2002) observes that a quality circle is essentially work discussion group which usually consist of six to ten workers from the same section or department of an organisation. Such groups meet regularly, for instance weekly or fortnightly, to identify, investigate, evaluate and consider problems in their work environment. These problems are work or production related, with the focus falling on quality improvement. Meeting takes place during working hours, when ideas are pooled in order to come up with solutions to problems in the working place and thus improving the quality of work output.

Anstey (1997) sees quality circle as the most common form of direct participation. He defines a quality circle as consisting of a small group which meets voluntarily for the purpose of exercising quality control functions in the workplace. Usually, such a group forms part of a larger, organisation-wide quality improvement program. Quality circle does not require significant changes in the relationship of power within a traditionally, hierarchically structure in the organisation.

The members of quality circles are volunteers with the same objectives and experience. They should preferably be well trained in aspects such as data collection, statistical and analytical methodologies, and general problem solving techniques. A quality circle consists of a leader, a facilitator and a steering committee.

More often than not, departmental heads, section heads or supervisors assume the role of leaders of quality circles. However, leaders may also be elected from among the ranks of workers or group members. The leaders have a coordinating and liaison function and must possess sound leadership skill. The facilitator is appointed by the steering committee and is also a member of such committee. He or she coordinates and keeps record of all activities, organises meeting and arrange for submissions to management. The facilitator provides the necessary support and such committee must be representative of all faces of the business. The committee must provide the guidelines and resources which a quality circle needs, and must plan the implementation of proposals.

Further functions of the steering committee include: monitoring progress and measuring the cost effectiveness of quality circle activities; arranging publicity for quality–circle activities and achievements; and controlling the degree of expansion of the quality circle. Final decisions on changes in the workplace are usually not taken by the quality circle. Instead, suggestions are made and possible solutions are passed on to the sections of departmental head for a final decision regarding the implementation thereof.

Nel (2002) observes that an important characteristic of quality circles, which distinguishes such circles from other forms of participation by suggestion, is that the workers who form part of quality circles receive training in respect of problem–solving skills which they need in carrying out their activities

Munetsi (1998) regards quality circles as a way in which participatory management can take place at the level of the worker. By means of quality circles, the needs of workers for recognition and status are satisfied. In this way, worker themselves are held responsible for the quality of their output, and this leads to the development of individual talents, to the benefit of both the individual and organisation.

Usually, the use of quality circles goes hand in hand with a significant improvement in productivity and the quality of products. The increased cost saving, cooperation and team spirit within the context of the quality circles lead to the development of the leadership skill of supervisor and to the improvement of communication and relation between management and workers. Munetsi (1998) observes that the individual member of the quality circle feels that he or she has achieved something if his or her personal contribution are acknowledged and rewarded.

Anstey (1997) identifies some characteristics of quality circles such as: membership is voluntary; members are drawn from a single workplace; all members have the same status; quality circles function parallel to, or within existing organisation structures; member themselves identify problem and select projects; members are trained in problem-solving

skills and meeting procedures; project management and submission, decision-making skills and methods; meetings, though held regularly, are short in duration; and there is little pressure as regards time.

Other characteristics of quality circles are that: there is facilitator assistance; solutions to problems are evaluated on the basis of their cost effectiveness; solutions are submitted to management for approval; quality circles implement and monitor their own solutions; and quality circles have little power.

Anstey (1997) also identifies eight critical success factors in quality circles such as: management commitment and support; involvement and support on the part of worker and trade unions; training; organisation and financial stability; personal characteristics of facilitators; the individual's characteristics and organisational preparedness.

Self-Assessment Exercise

Identify the basic and explain the critical success factors in quality circles.

3.5.3 Participation by Consultation

Participation by consultation is a technique whereby workers, through their representatives, periodically confer with their supervisors or with more senior employer representatives. This is done in structured manner by means of, for example, a committee, board or other similar structure.

Consultation committees usually comprise a number of managers and workers with sufficient experience. The workers are elected on merit and their objective is to represent the other workers. Committees are formed primarily to enable representatives to devote attention to specific issues, such as the improvement of worker-welfare facilities. These committees are therefore involved in the decision-making process through consultation with the employer, with a view to influencing the latter's decision in respect of specific aspects.

Marchington, Goodman, Wilkinson and Ackers (1992), as quoted in Nel (2002), define joint consultation as a mechanism for manager and employee representatives to meet on a regular basis, in order to exchange views to utilise members' knowledge and expertise, and to deal with matters of common interest, which are not the subject of collective bargaining.

An important facet of this form of participation is management's sincerity in considering the criticisms and proposals of workers usually as put forward by their representative. Management must genuinely be prepared to consider proposals before a final decision is taken. And it must also be prepared to give reasons for decisions where the proposals in question are not accepted.

It should thus be clear that, although workers theoretically participate in decision making within the organisation, they are usually regarded only as advisors, with the final decision remaining the prerogative of management. However, worker representatives are able to provide valuable information about the attitudes and opinions of workers. This information must be borne in mind when final decisions are taken. In this way, management is able to develop sensitivity for the ideologies and values of workers. By keeping such values in mind

when taking decision, management will be able to create a relationship of trust between itself and the workers, thereby improving cooperation between workers and management.

Nel (2002) observes that there are, however, certain factors which limit the use of committees, for example, the limited number of workers who by means of a committee form part of the decision–making process. Shop floor and unskilled workers are often not selected to serve on such committees because they possibly do not have the necessary knowledge, skills and experience.

3.5.4 Participation through Co-Determination

Nel (2002) holds the view that, the principal characteristic which distinguishes this form of participation from the others is the fact that workers (mostly though their representatives) and the employer (represented by management) are held jointly responsible by the owners of the enterprise (the shareholders) for the consequences of their decisions. This form of participation calls for commitment by the employers and the workers representative to the process, since decision can only be taken jointly.

3.5.5 Participation through Teams

A team is regarded as a small number of people with complementary skills who are constituted for a common purpose, performance goals, and approach for which they hold themselves mutually accountable.

Teams have become an important part of the modern management approach. Frequently organisations commit themselves to a "team approach" or to participatory management without truly understanding the main purpose of such approaches. The concept is misunderstood and is wrongly applied in that it is seen as a goal in itself rather than as a way of improving performance. It would appear that teams are not necessarily constituted in order to develop people or for problem solving, to increase quality and to address specific functions. Teams may be regarded as way of achieving cooperation.

Some four types of team can be identified such as follows:

Cooperative network designs: These require the interaction of interdependent contributors who cooperate for the purpose of releasing specific information.

Parallel teams: These exist independently of formal organisation structures. They propose ways of improving performance and of solving business problems.

Project and development teams: These have specific tasks assigned to them; for example, the development of new products and information system, research and development, and plant design, such teams are usually self–managing/autonomous and have the power to take decision. However, they have to consider the requirements of the customer.

Work teams: These are responsible for producing goods and services. These teams exercise control over production, sales administration, management and service delivery.

Anstey (1997) identifies the following characteristics of effective teams:

i. Performance driven.
ii. Strong and accountable leadership.
iii. Established round task-their composition is functional to the goal.
iv. Clear performance goals – training and developments, and the use of technology skills and resources are functional to these goals.
v. Small and encourage communication, dedication and accountability.
vi. Assume greater responsibility for work performance.
vii. Exercise greater control over their own management.
viii. comprise members who are committed to the team approach, and who have the appropriate technical, decision-making, problem-solving and facilitation skills.
ix. Comprise members who have a range of skills, thereby allowing greater flexibility in the utilisation of people and job rotation, and in reducing rigid job classifications and grading.
x. Provide ongoing training and development with the aim of improving the capacity to form groups of full-time members.
xi. Reflect shifts in the functions and titles of key role players: managers and supervisors become group leaders and workers become group members and group representatives.
xii. Involve trade unions, where these are present, as important role players in the planning and implementation of team systems.
xiii. Require organisational regrouping in respect of all systems.

3.5.6 Participation through Self-Government

It involves the management of the organisation being taken over by nominated members of the workforce, which according to Nel (2002), is only at the instance of the overthrow of the country's capitalist system. Nel (2002) also observes that there is a place for worker-controlled organisation in a mixed economy. Worker co-operatives are an example of a situation where the workers own the enterprise and share in its profits.

Self-Assessment Exercise

Differentiate between participation through co-determination and participation through self-government.

3.5.7 Participation through Trade Unions

This is a process whereby the workers are represented by the trade unions in decision-making forums such as collective bargaining, interpretation of collective agreements on wages, working hours and conditions of service, dispute-settlement procedures and the administration of collective agreements. Since it is practically impossible for all the workers

to participate in all the decision-making processes of an organisation, representatives must be elected to bargain collectively on behalf of individual workers.

4.0 Conclusion

Based on the preceding analysis, you can appreciate the fact that there cannot be any form of industrial democracy in any organisation without defined forms of participation in decision-making processes by the representatives of the workers. Therefore, you have been exposed to the various strategies through which workers can be opportune to participate in organisational decision-making process.

5.0 Summary

This unit has been used to explain the elements of power sharing and degree of worker participation. In addition, the unit is used to discuss the various forms of workers' involvement in decisions that affect the affairs of the organisation. In addition, the unit is also used to discuss the various techniques through which the workers can be represented in the decision-making processes of organisations so as to garner their motivation and desired level of productivity. Furthermore, the unit has also been used to discuss worker participation through workplace forums.

In the next unit, you will be exposed to the area of economic and financial participation by employees; defined strategies for ensuring pecuniary benefits, out of the fortunes of the organisation, for the workers.

6.0 Self Assessment Exercise

Enumerate and explain the different methods or techniques through which workers' participation in the decision-making processes can be ensured in organisations.

7.0 References/Further Reading

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Unit 2 Workers' Participation through Workplace Forums

1.0 Introduction

The purpose of workplace forums is not to replace collective bargaining, but to supplement it by providing a structure in terms of which workplace issues (excluding wage-related issues) can be negotiated in a non-hostile way. Such issues include restructuring, the introduction of new technology and work methods, the organising of work, and health and safety. When workers have a greater say in management decision making, employers derive benefits in the form of increased productivity and efficiency. Profit sharing, flexible job design, training and development all lead to increased productivity and profitability. According to Anstey (1997), other positive consequences of worker participation include improved communication, decision making, worker acceptance of decisions, management capacity and accountability.

According to Backer and Olivier (1996), three forms of participation are provided for by workplace forums:

The sharing of information: Management is expected by submit reports on the past performance of the organisation, as well as on expected performance in future.

Consultation: Worker has a right to be consulted regarding specific issues.

Joint decision making: Management is obliged to arrive at decisions jointly with the forum.

A workplace forum has the following functions:

- It must strive to promote the interests of all workers in the workplace, irrespective of whether or not they are trade union members.
- It must strive to increase efficiency in the workplace.
- It must be consulted by the employer with a view to reaching consensus on specific matters.
- It must be allowed to participate in joint decision making regarding specific issues.

According to Nel (2002), the aim of workplace forums is to establish a more participatory culture in a particular environment traditionally characterised by a hostile employer-employee relationship. To realise this aim, a clear distinction must be drawn between collective bargaining on the one hand and the indirect worker participation on the other (i.e. worker participation through representation by co-workers at shop floor level). Collective

bargaining focuses chiefly on the division of wealth generated by organisations, whereas workplace forums are concerned rather with the transformation processes involved in an organisation's attempt to generate wealth.

2.0 Objectives

At the end of this unit, you should be able to:

- discuss the difference between collective bargaining and indirect worker participation
- explain the functions of workplace forum
- state the advantages and disadvantages of workplace forums
- enumerate the limitations and obstacles to the establishment and implementation of workplace forums.

3.0 Main Content

3.1 Functions of the Workplace Forum

The principal functions of the workplace forum according to Pennington and Van Zyl (1997) and Finnemore and Van der Merwe (1996) are to:

- democratise the workplace
- lay the foundation for cooperation rather than hostile relationships between employers and workers
- promote the interests of all workers
- promote worker participation in decision making
- increase productivity and profitability
- support (and not undermine) collective bargaining by performing those functions for which collective bargaining is not suitable.

The hope has been expressed that the introduction of workplace forums will provide a mechanism for meaningful consultation between employers and workers regarding all workplace issues falling outside the sphere of traditional wage negotiations.

3.2 The Functioning of Workplace Forums

Workplace forums are structures which have been created to allow a specific form of participation, namely indirect participation from within the organisation. Ultimately, however, the success or otherwise of workplace forums will depend on the processes which are employed and not on the structure as such. These processes are largely interactive, and, consequently, interpersonal in nature. Members of the workplace forum

and employees representing the employer will endeavour to solve problems and take decisions by making use of various interpersonal processes, such as the disclosure of information, consultation, the holding of meetings, and joint decision making (Nel, 2002).

The functions of workplace forums fall into three different areas, namely consultation, joint decision making, and the disclosure of information (Finnemore and Van der Merwe, 1996). The trade union(s) and the employer must reach consensus on matters for consultation and matters for joint decision making. The objective of workplace forums is to find joint solutions to problems. Although the parties concerned must have a

thorough knowledge of the statutory requirements before they can proceed with negotiations, they can expect numerous problems if they cannot agree on fundamental aspects such as matters for consultation and matters for joint decision making. According to Van Zyl (1997), the role players must thus be willing to:

- jointly change the organisational culture from one of traditional hostility to one of cooperation
- jointly improve the organisation by encouraging it to perform better, with the goal being to ensure that all interest groups benefit from the process.

The objectives of workplace forums cannot be achieved if such forums are used to realise one party's goals at the expense of the other.

3.2.1 Consultation

According to Slabbert *et al.* (1998), the central theme of consultation is that management retains the managerial prerogative to take the final decision. But, in terms of the Labour Relations Act, management can take a final decision about specific matters only after it has consulted the workplace forum on such matters and has endeavoured to achieve consensus. The employer must give the workplace forum the opportunity to make alternative proposals, and, if he or she does not agree with them, must give reasons for his or her decision. Matters for consultation may be regulated by a collective agreement with the representative trade union. However, where there is no collective agreement, the labour union is entitled to be consulted by the employer, and its proposals sought, regarding any of the following matters:

- workplace restructuring, including the announcement of new technology and new work methods
- changes in work organisation
- partial or total closure of plants
- mergers and transfers of ownership in so far as this impacts on the workers
- the dismissal of workers for reasons based on operating requirements
- exemptions from ay collective agreement or any legal measure
- job grading
- criteria for merit increases or the payment of discretionary bonuses

- education and training
- production development plans
- export promotion.

When the matters for consultation are regulated by a collective agreement, such agreement may not necessarily include all of the above matters, or it may not be confined only to the above matters. The following serve as examples of matters which can be included for consultation with a workplace forum:

- shift systems and overtime
- summaries of strategic business plans
- investment decisions
- productivity
- quality control
- redundancy
- guidelines for recruitment, selection, termination of service, promotion and transfer
- strategies and policies in respect of affirmative action
- social benefits
- health and safety matters.

A bargaining council, or a collective agreement between a representative trade union and an employer, or any other law, may give a workplace forum the right to be consulted regarding additional matters (such as those indicated above) in a workplace falling within the registered area of a bargaining council.

Usually, any employer who has appointed two or more health and safety representatives is obliged to establish a health and safety committee. Such an employer must then consult such committee about certain matters. A representative trade union and an employer can furthermore agree that:

- The employer will consult the workplace forum with the aim of initiating, developing, promoting, monitoring and reviewing health and safety in the workplace.
- A meeting between workplace forum and the employer can constitute a meeting with health and safety committees as required by the aforementioned legislation.
- One or more of the members of workplace forum must be health and safety representatives for the purpose of such legislation (Pennington and Van Zyl, 1997).

3.2.2 Joint Decision Making

According to Nel (2002), the most important difference between consultation and joint decision making is that in the case of consultation, an attempt is made to achieve consensus, whereas with joint decision making consensus must be achieved. Swanepoel (2001) regards consultation as a one-sided process and joint decision making as a two- sided process. Thus, during consultation, management retains the sole right to take the final decision, but, during

joint decision making, joint decision-making power is shared by both parties. This implies that each party has a right to veto, and that no decision can be taken before agreement is reached.

In the case of joint decision making, the managerial prerogative is effectively done away with. The employer may not take final decisions, or proceed with the implementation of proposals, before consensus has been reached with the workplace forum. Since everyone must be satisfied with the proposal, the real challenge lies in creating a climate of cooperation. Both parties must realise that the specific matter is a joint problem and that specific skills will be necessary to arrive at a joint solution (Nel, 2002).

As in the case of matters for consultation, issues for joint decision making can also be regulated either by a collective agreement with the representative trade union(s), or, where there is no such collective agreement, by the employer consulting the workplace forum and reaching consensus with it regarding the following (Pennington and Val Zyl, 1997):

- Disciplinary codes and procedures.
- Rules pertaining to the proper regulation of the workplace in so far as these apply to conduct not related to the work performance of employees. Measures designed to protect and advance persons disadvantaged by unfair discrimination.
- Changes by the employer or by employer-appointed representatives on trusts or boards of employer-controlled schemes, to the rules regulating social benefit schemes.

A representative trade union and an employer may conclude a collective agreement conferring on the workplace forum the right to joint decision making in respect of additional matters in that workplace and/or removing any matter from the list of matters requiring joint decision making.

If consensus cannot be reached with the workplace forum, the employer can refer the matter for arbitration in terms of any agreed procedure. The IAP must attempt to resolve the dispute through conciliation. Should it not succeed in doing so, the employer may request that the dispute be resolved through arbitration. The dispute-settlement process is represented schematically in Figure 1.

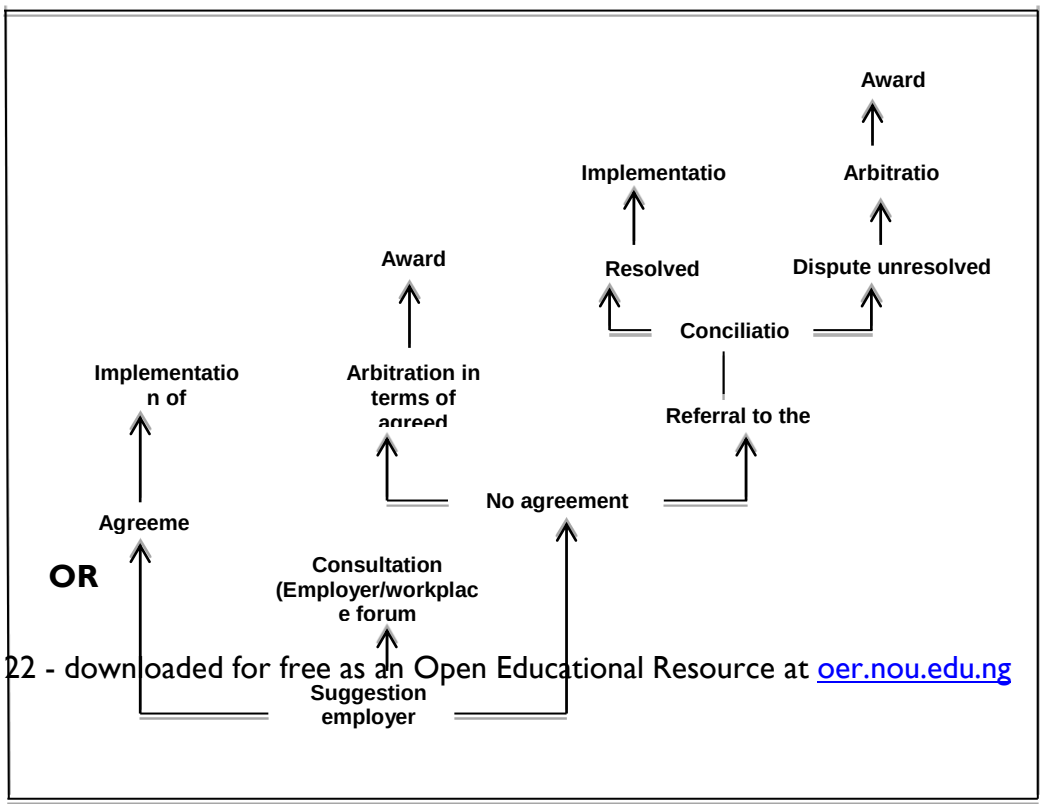

Fig. 1: The Dispute-Settlement Process

Source: Swanepoel *et al.* (2002)

After the establishment of a workplace forum, such forum can request a meeting with the employer in order to review the following:

- Criteria for merit increases or the payment of discretionary bonuses.
- Disciplinary codes and procedures.
- Rules relating to the proper negotiation of the workplace in so far as they apply to conduct not related to the work performance of employees in the workplace.

The employer is requested to submit its criteria, disciplinary codes and procedures, and rules in writing to the workplace forum for consideration. The above discussion indicates that rights in respect of joint decision making can be extended by a collective agreement.

Self-Assessment Exercise

Explain by differentiation, the functioning of Workplace Forums by means of consultation, joint decision making.

3.2.3 Disclosure of Information

According to Madikizela (1998), workplace forums are viewed as promoting participatory management through the disclosure of information, consultation and joint decision making. Information is a core element in the functioning of workplace forums, since they would be unable to function without the disclosure of information. Such disclosure must therefore be seen as an essential characteristic of participation. Disclosure of information brings about transparency in the workplace, thereby strengthening the relationship of trust between management and workers.

Regular meetings of the workplace forum must be held at which the employer reports on the financial and employment situation of the organisation, as well as on its anticipated performance. The workplace forum is entitled to all relevant information which is necessary to engage effectively in consultation and joint decision making, except when the:

- information is legally privileged
- the disclosure of the information would be a contravention of any law or any order of court
- information is confidential and disclosure thereof may cause substantial harm to an employee or the employer

- information is private personal information relating to an employee (the employee's consent is necessary before such information may be disclosed).

If a dispute arises about the disclosure of information, any of the parties may refer the dispute in writing to the IAP. The IAP must attempt to resolve the dispute by means of conciliation. Should the dispute remain unresolved, any party may request that it be resolved by means of arbitration.

The Commissioner must first decide whether or not the information is relevant. Should the Commissioner decide that the information is in fact relevant, and if it is information that may cause substantial harm to an employee or the employer, the Commissioner must balance the harm that the disclosure is likely to cause to an employee or employer against

the harm that the failure to disclose the information is likely to cause to the ability of the workplace forum to engage effectively in consultation and joint decision making. If the Commissioner decides that the balance of harm favours the disclosure of the information, he or she may order the disclosure of the information on terms designed to limit the harm likely to be caused to the employee or employer. The Commissioner may also order that the information not be disclosed for a specific period if such disclosure would amount to a breach of confidentiality.

According to Nel (2002), many managers (as representatives of employers) view the disclosure of information negatively - they see it as an attempt to deprive management of its decision-making prerogative. Traditionally, management was not well disposed to disclosing information to employees, but used the withholding of information as an

instrument of power to increase its own power base.

The goal of consultation, joint decision making and the disclosure of information is to improve work relationships by providing a forum which enables workers to participate in decision making in the workplace, to increase efficiency and to gain a competitive advantage (Baskin and Satgar, 1995).

However, both labour and business have certain reservations in this regard. Pennington and Van Zyl (1997) have come to the following conclusion.

Although the Labour Relations Act attempts to bring about cooperative relationships between management and trade unions (including the workforce), many of the fears and reservations regarding workplace forums (and, specifically, regarding the disclosure of information, consultation and joint decision making) centred on the "element of power". It may be that not one of the parties will be prepared to change the traditional, hostile relationship because it fears that its power base will be eroded. The syndrome of "us" against "them" is still very prevalent.

Table 1 gives an indication of the objections of labour and business to the disclosure of information.

Table 1: Objections to the Disclosure of Information

Business	Labour
• The type of information that must be disclosed • The fact that an employer can be compelled to disclose confidential information of a strategic nature. • The possibility of information being exploited, which can lead to the suppression of business initiative. • Each organisation is unique and is affected differently by production, market conditions, competitive advantage and trust or mistrust between management and workers. • Market fluctuations make it difficult to formulate a definite strategy in respect of the disclosure of information. • No distinction is drawn between the disclosure of information for the purposes of collective bargaining and the disclosure of information for the purposes of consultation and joint decision making. • There is no code of conduct which provides guidelines as to what information must be disclosed.	• Issues which are important to employers, for example productivity, are clearly set out, whereas those which are important to workers, such as social, gender and racial equality, are not addressed at all. • Issues which are addressed by bargaining councils (such as wages) are separated from consultation and joint decision making (such as productivity). • Joint decision-making rights are weak, since they are limited to specific human resource issues, such as disciplinary codes and affirmative of conduct action. Production issues are excluded from joint decision making, because, in this regard, a workplace forum only has the right to consultation and to the disclosure of information. Thus, it is felt that, in this way, the employer gains an unfair advantage.

Source: Swanepoel *et al.* (2002)

According to Pennington and Van Zyl (1997), the following are also viewpoints that come strongly to the fore:

i. The unity of workers will be undermined if they have to compete with one another and if they are held jointly responsible (together with management) for upholding the capitalist system.

ii. Trade unions will have to be identified with both the capitalist system and management, thus giving up their pursuit of socialism. This will mean that workers will lose faith in the trade unions.

iii. Issues such as the improvement of productivity and international competition will not assist workers in their pursuit of job creation, since employers will want to keep their workforces small.

iv. Workers will have to give up their right to strike in respect of matters which are covered by agreements reached through joint decision making (Lehulere, 1995).

Industrial legislation, on its own, cannot be relied upon to resolve the problems existing between Nigerian business and labour. Although the Industrial Relations Act addresses matters such as consultation, joint decision making and the disclosure of information in a fair amount of detail, and attempts to lay a foundation for cooperation in the workplace; it cannot provide that single element which is necessary for employer-employee cooperation, namely mutual trust. A relationship which is characterised by mutual trust and a willingness to put aside past differences will help in resolving problems that arise when negotiations have to be conducted regarding sensitive issues. The building of cooperative relationships will serve as a basis so that workplace forums can be introduced with the least amount of conflict.

3.3 Advantages and Disadvantages of Workplace Forums

In their investigations, Pennington and Van Zyl (1997) conducted interviews with fourteen trade unions. The principal advantages and disadvantages of workplace forums which were mentioned during these interviews are set out below.

Advantages

- Workplace democracy (including fair labour practices), participation and cooperation will be promoted.
- In those workplaces where the literacy levels of workers are high, workplace forums will foster participation.
- The provisions relating to the disclosure of information will benefit trade unions and workers.
- Workers will receive instruction and training which they would not otherwise have received.
- There will be a greater degree of interaction between trade unions and workers, since workers will approach trade unions for advice regarding workplace forum issues.
- Workplace forums can give trade unions the opportunity to increase their capacity, in that the training of workplace forum representatives will be funded by the organisation

itself, administrative facilities will be provided for the workplace forum, and finance will be provided for consultations with experts.

Disadvantages

- In certain economic sectors, workers will possibly not be able to become involved in complex matters owing to low levels of literacy. Workplace forum representatives will have to undergo intensive training in order to be able to deal with these matters. The danger exists that workers will, first of all, not be able to understand these matters, and, secondly, will not be able to make a meaningful contribution to the discussion.
- Workplace forums could undermine trade unions, especially where trade unions are weaker.
- Management could possibly manipulate the workplace forum.
- Trade union representatives may not have sufficient time or resources to deal with workplace forum issues, to attend meetings, and to give advice.
- There is a fear that workplace forum representatives are going to replace trade union representatives.
- Trade unions do not have sufficient control over workplace forums.

Self-Assessment Exercise

Enumerate the various advantages and disadvantages inherent in workplace forums.

3.4 Limitations in Respect of the Establishment of Workplace forums

1. Training

According to Pennington and Van Zyl (1997), the following aspects must be addressed very early in the implementation process:

- Workers must receive training thorough instruction regarding workplace forums and the Industrial Relations Act. During such instruction, matters such as the goal, role and functions of workplace forums must be addressed.
- Workers must be trained so that they understand all matters that will be dealt with by the workplace forum and can make a contribution in such regard.
- The "how" and "when" of training representatives so that they will be able to perform their functions effectively, must be determined early.

The following are the training requirements in this regard:

- general business principles, including productivity, international competition, workplace efficiency and business ethics
- financial principles as applied in the business
- leadership training
- communication skills
- relationship-building skills

- negotiating skills
- decision-making skills
- consultations skills
- training in respect of labour legislation
- adult basic education
- numerical skills.

Training must not be conducted only on a one-off basis, but must be ongoing. Pennington and Van Zyl (1997) are of the opinion that it is not only the workplace forum representatives who need training, but also management, for managers often lack important skills such as communication and negotiating skills.

2. Resources

Trade unions do not always have sufficient resources to make a success of workplace forums. Consider, for example, the amount of time that officials will have to spend in meetings, and on providing assistance and support. According to Baskin and Satgar (1995), some trade unions may also not have the expertise to provide the necessary professional services. Thus, trade union officials will be required to provide advice regarding matters with which they are unfamiliar, such as productivity, technology, financial analysis, industry trends and strategic planning. Trade unions will have to ensure that they have sufficient resources to deal with these matters, and that their members have the skills necessary to render an effective service in meeting the requirements of workplace forums. If workplace forum representatives feel that trade unions officials cannot provide adequate support, such representatives may become alienated from the trade union.

3. Relationships

The building of positive relationships is one of the principal factors that must be addressed in ensuring the involvement and commitment of management. According to Pennington and Van Zyl (1997), the following aspects regarding the building of such relationships are important.

Management may see the introduction of workplace forums as undermining its managerial prerogative. One possible way of overcoming this obstacle is to concentrate on the benefits which workplace forums provide for all the parties concerned. It should therefore be stressed that addressing matters such as productivity, for example, will have direct benefits for the business.

It is important that senior management obtains, and retains, the commitment of other management levels to the process since line and middle-level managers will be affected the most by the introduction of workplace forums. The following recommendations may be made in order to achieve this objective:

- During training, the benefits of workplace forums should be explained.
- The roles which various groups will have to play in the process should also be explained.
- The various groups must be involved in the design of the forum and in drawing up its constitution.
- All groups must be fully represented in the workplace forum.

Pennington and Van Zyl (1997) are of the opinion that commitment to the process will be promoted if all role players understand the process. Training is therefore also important in promoting commitment and participation. To obtain management's commitment to the process, trade unions must "sell" workplace forums to management as being a sound business decision.

Management feels that it does not have a choice with regard to the implementation of workplace forums. The onus rests on trade unions to initiate such forums, after which management is obliged to give its cooperation. This can result in resistance on the part of management to the implementation process, even though, on the face of it, management

may appear to be giving its cooperation.

4. Statutory requirements

Many trade unions and organisations may elect to establish a non-statutory workplace forum rather than a workplace forum. Essentially, this means that they can facilitate it through negotiations between management and trade unions as regards various aspects, with the resultant collective agreement becoming the directive element.

To establish statutory workplace forums, trade union representatives must be highly skilled. However, in many economic sectors, trade union representatives do not have the essential business skills. As a result, the trade unions concerned will be placed under pressure to provide the necessary training and support.

Self-Assessment Exercise

What are the limitations associated with the practice of workplace forums?

3.5 Obstacles to the Establishment and Implementation of Workplace Forums

Various obstacles have been identified by employers, workers and trade unions as factors which will influence the implementation or otherwise of workplace forums in organisations. According to Anstey (1997), Bendix (2001), Finnemore (1997), Nel (2002), Pennington and Van Zyl (1997), Pons and Deale (1998), and Slabbert *et al.* (1998), some of these obstacles are the following:

- Trade unions are sceptical about the implementation of workplace forums, because they see such forums as a threat to their power base. Consequently, they are hesitant to initiate workplace forums.
- Management sees participative management in the form of workplace forums as a way of undermining its "managerial prerogative".
- Traditionally, the relationship between employers and workers has been characterised by conflict. And it is not clear whether workplace forums will succeed in transforming this hostile relationship into a more cooperative one.
- Attitudes will have to change. The parties must endeavour to make joint decision making the norm. The old, hostile approach must make way for consensus and mutual respect.

However, the parties in the Nigerian industrial relations system are still hesitant about changing their attitudes, and continue to expect the other party to change.

- The introduction of workplace forums requires a change of mind-set on the part of employers and workers, a change which not all concerned are ready to make. Fear of change is therefore hampering the process.
- Low literacy levels of workers prevent effective participation in decision making.
- Workers do not have a good enough grasp of business, and of business principles, and this prevents them from taking informed decisions.
- Mistrust between management and workers are not conducive to joint decision making.
- Mistrust between trade unions and management gives rise to hostile relationships, a problem that cannot easily be overcome.
- Workers believe that "bread-and-butter" issues are not being addressed by management or trade unions.
- Organisations cannot, or will not, allocate resources (office space, telephones, etc) for the operation of workplace forums.
- Ideological problems exist - trade unions pursue socialism, while management pursues capitalism.
- The history of committees in workplaces indicates a lack of success on the part of such bodies. There is thus the fear that a workplace forum will be ""just another committee" that fails to bring about cooperation between management and workers.
- Past events, such as the establishment of works councils and committee systems, have left behind "a bad taste", the reason being that management attempted to use these committees to eliminate trade unions. This, in turn, resulted in mistrust among management, workers and workers representatives.
- There is not a need to be creative in trying something new.
- Employers and trade unions feel that they do not have sufficient money or time to make workplace forums a success.
- Conflict may arise when it comes to the division of power and wealth.
- The structures (i.e. workplace forums themselves) are in place, but there is a lack of skills (e.g. problem-solving skills).
- Workplace forums must be careful that they do not pay attention only to short-term objectives. Their goal must be to plan for the future, to realise long-term goals, and to obtain commitment.
- Most organisations already have participatory structures and would rather retain these established structures than implement workplace forums.
- The Industrial Relations Act does not clearly set out what must be regarded as relevant.
- Unilateral initiation of workplace forums by representative trade unions is seen as a problem.

- The following matters were not borne in mind when proposing a model for workplace forums:
  - size of the organisation
  - business sector
  - phase of development in which the organisation finds itself
  - capital and labour intensity
  - levels of skills that must be employed
  - sophistication of personnel
  - industrial relations practices in different organisations.

Self-Assessment Exercise

What are the major obstacles that can militate against the establishment and implementation of workplace forums?

4.0 Conclusion

In the preceding section, you should have observed that workplace forums have a very definite role to play in the promotion of worker participation in organisations. However, there are still numerous obstacles that must be overcome, as well as negative perceptions which must be eliminated. It is therefore important that industrial relations managers (and any manager for that matter) are acquainted with the principles of worker participation, and understand how these principles can be put into practice by means of structures such as workplace forums.

5.0 Summary

The potential of worker participation dynamics in empowering workers and in improving the quality of industrial relations, thereby promoting competitiveness among organisations, is great. As it were, there are many challenges which will have to be professionally managed and dealt with in this regard. The principal challenge in this context is probably that of changing "the hearts and minds" of the primary role players in organisations so that they realise the value of participation and can begin working actively in bringing about a situation in which there is greater industrial democracy and worker empowerment.

Therefore, in this study unit, we attempted to provide you with the necessary knowledge of worker participation to bring about this change. In the next study unit, we shall consider an important aspect of industrial democracy, which has to do with economic and financial participation by the employees in the fortunes of the organisations in which they are stakeholders.

6.0 Self Assessment Exercise

1. Name and explain the three core elements of worker participation.

2. List and explain the obstacles that militate against worker participation in organisations.

7.0 References/Further Reading

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Unit 3 Economic and Financial Participation by Employees

1.0 Introduction

The most important dimension of any employment relationship is economic in nature. The economic or financial participation, therefore, makes a lot of considerable sense to the employees. Such participation of the employees in the fortunes generated by the organisation may take various forms such as profit sharing, individual and group bonus incentive schemes, and share ownership schemes.

You should have realised that these schemes are indeed not new in many companies. Their recent popularity does underscore a comparative trend in the recognition of the need towards devolution of financial participation to lower levels of the organisation.

In this unit, therefore, the focus is on the various forms of economic and financial participation by the workers in organisation.

2.0 Objectives

At the end of this unit, you should be able to:

- explain the rationale for financial participation by workers
- identify and explain the various types of financial participation
- analyse the relationship between financial participation and collective bargaining
- discuss the effectiveness of financial participation on firm's fortunes.

3.0 Main Content

3.1 Nature of Financial Participation by Employees

Financial participation is, for all intents and purposes, an individual-based form of participation based on the willing consent of an individual employee. Therefore, it has nothing to do with distribution of power in and governance of organisations.

It is instructive to note that financial participation on its own cannot advance industrial democracy, since worker influence is generally limited as minority shareholders. It has been observed that financial participation is more likely to work successfully where the trade union movement is strong and is able to influence the type and implementation of the schemes involved in such participation.

Some employers are of the view that financial participation such as share ownership reflects the employer's right to deal directly with the employees to enhance their stake in the organisation and therefore, a separate matter from that of collective bargaining. It has also

been observed that it is aimed at enhancing the commitment of the workers to free-market economy, and achieving added wealth through organisational commitment.

The participation is also aimed at the co-optation of workers into a management ethos; which is regarded as an ideological goal. In another perspective, such involvement of the workers in sharing out of the fortunes of the company represents a manipulative form of managerial control aimed at humanising capitalism and its work processes, which by and large is in the interest of better productivity.

Such workers participation is regarded as a form of stakeholding whereby the employees are given a genuine stake in the prosperity of the business and are likely to substantially benefit by its success. Therefore it is aimed at wealth distribution between the organisation and the workers, and thereby to facilitate wealth creation by linking organisational commitment to workers' rewards.

Furthermore, it is seen as a strategy for seducing employees away from collective forms, indirect or representative participation, towards individual, consensual forms of direct involvement, such as financial participation and quality circles. It is a provision of a personal, economic stakeholding in the organisation through the various schemes associated with the participation.

It is largely meant to move away from interest-based models of collective bargaining towards decentralised, joint consultation problem solving, strike-free agreements and single-union agreements. In Nigeria, there is the example of the then FSB International Bank Plc whose employees were allowed to participate in its equity ownership.

In some countries such as the United Kingdom, share schemes are used by companies mainly to encourage workers to identify more with the goals of their organisations as well as for tax advantages.

Self-Assessment Exercise

Identify and discuss the reasons for the use of financial participation for the workers.

3.2 Types of Financial Participation by Employees

The following are the main types of financial participation which are in practice in some organisations.

3.2.1 Profit Sharing

This is the most prevalent type of financial participation found in some companies around the world. The scheme is considered by many employers as preferable to share ownership schemes, as effort and reward are considered more measurable, especially if the short-run rewards or returns are offered, based on measurable performance in particular sectors. Examples of such sectors are the batch manufacturing and retailing.

The share of profits fluctuates with the economic performance or fortunes of the firm. Profit sharing may not therefore provide a stable level of income over time. The scheme may take the form of end of year bonus and Scalon plan.

3.2.2 Employee Share Ownership Scheme

According to Kurland (1988), the scheme is used as a tool for broadening participation of employees in company profits and decision making. It is also used to increase an employee's stake and commitment to the prosperity of the business. In countries such as the United States, legislation is in place for creating tax advantages for encouraging the corporate bodies to establish such scheme for their workers.

Nevertheless, rival causal or intervening variables may account for superior performance and not the scheme. For example, productivity increases in large companies may occur independently as a result of the impact of other factors such as particular economies of scale, technical innovation, sophisticated human resource management, together with other forms of participation.

More so changes in organisation structure and culture such as devolution of decision making down to the lower levels in the organisation, and the associated autonomy, are also factors in productivity improvement. There is an indication that in wholly employee-owned firms in some countries, the mix of such scheme and other forms of participation can be linked with growth and productivity improvement.

The scheme can combine several elements. These include benefits, incentive and productivity schemes, services and retirement benefits. It may also take the form of a reward system, with a basic salary supplemented with cash bonuses and equity shares linked to the proceeds of a company. It is a two-way, interactive process between management and employees and a means for workers to participate both as workers and as shareholders in contributing to the goals of the company.

And depending on the tax laws of a country, it can be an in-house, tax exempt stock exchange for both new equity purchases and the repurchase of outstanding shares. It may also offer workers a source of dividend income. It can also bring capital gain to the workers as a means by which people without savings and ownership can become owners of new wealth. In the past, capital gain has been available to those who were already within the ownership framework.

3.2.3 Group Financial and Bonus Incentive Schemes

These are schemes which are used largely by the manufacturing companies. Trade unions are always interested in negotiating a group productivity bonus scheme than an individual, performance-based scheme. The main purpose of bonus incentive schemes is to enhance economic performance and motivation by means of financial reward.

3.2.4 Individual Performance Incentive Schemes

Individual performance incentive schemes are mainly used in non-union or partially weakly unionised firms at all employee levels, but predominantly in use in the United States of America. In other countries, such schemes are used mainly for the executives in the management levels. Other categories of employees that can enjoy such schemes are the personnel in the sales force of an organisation.

Self-Assessment Exercise

Differentiate between employee share ownership and profit sharing scheme.

3.3 Relationship between Financial Participation and Collective Bargaining

An important issue in the use of financial participation for the workers is its relationship with the collective representations of the employees.

Poole (1988) observes that the modern development of financial participation schemes at employee levels is concerned with managerial styles of industrial relations. He further argues that the weakened position of trade unions in several Western countries has enabled managers to actively promote financial participation, rather than being constrained to accept extensions of collective bargaining or board-level union representation.

Empirical evidence has portrayed that financial participation schemes tend to be part of a consultative process and are likely to be unilaterally introduced than in non-unionised firms. And there is a consistent tendency for companies with financial participation schemes to have various other types of employee participation than those without it.

It is being envisaged that participation is most likely to develop in areas of economic growth or unrest, or conversely, when an individual organisation is in decline. Nevertheless, ailing organisations may often resort to participative initiatives to try to survive. A glaring example is the case of Chrysler Motor Corporation, which negotiated share ownership with agreements on wage cuts and interim job security guarantees. And such resulted in employees forfeiting some millions of dollars in pay increases over three years for equity of fewer amount.

In a situation where economic feedback, consultation and joint decision making are part of the culture of industrial relations in a firm, it is likely that these processes will be invoked in respect of the introduction of financial participation. This is more likely the case with stronger trade unions. In order to gradually build the ownership concept in any organisation, the share ownership scheme should be supplemented with frequent economic feedback relating to the performance of the firm.

The trade unions tend to consider managerial practices of direct employee involvement as undermining the independent nature of collective representation and the power base derived from collective mobilisation.

Attendant responses include:

- Direct rejection and vetoing of the introduction of financial
- participation initiatives.
- Active subversion once introduced.
- Malicious compliance and subtle forms of protest.
- Grudging, passive acknowledgement such as the union endorsing

- financial schemes, provided that they materially improve their material well-being of their members.
- Exerting union influence beyond collective bargaining by
- reconsidering participation in other forms and at levels of both
- direct and indirect participation.,
- Centrally influencing corporate strategic decision making, for
- example by means of pressure from the trade unions.

Self-Assessment Exercise

What are the forms of response from the trade union on the use of financial participation in place of collective bargaining?

3.4 Effectiveness of Financial Participation

The effectiveness of financial participation is seen from the perspective of profit improvement and growth. Employee share purchase schemes have often been introduced in circumstances of financial crisis and when jobs and union membership are under serious threat.

The increasing popularity of direct employee involvement, whilst having important advantages for management and employees, can mask a deeper underlying distaste for unionism. Various types of participation can evolve incrementally at all levels of an organisation.

New forms for individual, consensual participation are different from participation by negotiation. Strongest resistance to participative practices which seek greater loyalty, commitment and motivation is more likely where unions are still developing and workers have strongly positive views about the instrumental benefits of union membership.

More so, a strong, powerful and established trade union movement is less likely to see these managerial approaches as potentially undermining its traditional role. Unions in these circumstances may indeed be willing to consider alternative forms of participation in a more favourable light, given the durability of existing collective bargaining institutions and structures.

There is also a re-emerging debate in some advance economies on the notion of democratising capital through collective capital formation as a means of socialising, rather than nationalising control in organisations. Such control can apply to several institutions, such as pension schemes and employee investment funds.

The idea of collective capital formation sees trade unions as major participation in this largely long-term transformative process. For instance, a well established trade union movement can bring about a social ownership and control, providing employment in union-owned business.

4.0 Conclusion

From the foregoing analysis, you can understand that financial participation is very critical in winning the commitment of the workers in the scheme of the harmonious relationship between the management and the workers. In this unit, you have learned a number of issues that relate to financial participation such as nature and rationale for financial participation, types of financial participation, relationship between financial participation and collective participation and effectiveness of financial participation

5.0 Summary

You should understand by now that financial participation is inevitable in the modern industrial relations. This is borne out of the need to ensure a genuine commitment from the workers as well as earning reasonable returns for the organisation. Furthermore, the use of financial participation guarantees conducive atmosphere for industrial harmony; and engenders desired level of productivity in the organisation without the use of collective bargaining.

In the next study unit, you will be taken through trade unionism in Nigeria regarding its evolution, development and formation and registration, membership and is central organisation.

6.0 Self-Assessment Exercise

Identify the various schemes which can be used to guarantee economic and financial participation by the employees in an organisation.

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Unit 4 Trade Unionism in Nigeria

1.0 Introduction

The advent of trade unions in Nigeria dates back to the colonial period when in 1912 there emerged the Nigeria Civil Service Union. From the epoch making trail, some other trade unions sprang up in various organisations both in the public sector and the organised private sector of the economy. Empirical evidence has it that over a thousand trade unions were formed between 1912 and 1978 before the military government intervention.

In a restructuring exercise carried out by the military government in 1978, the number of trade unions in the country was reduced to 42. The number was further reduced to 29 by another military government in 1996. Since the advent of trade unionism in Nigeria, trade unions have not only protected the interest of workers (their members) but have also played prominent role in shaping the socio-political sphere of the country.

In this unit, therefore, you are exposed to the realm of trade unionism, theories of trade unionism, the peculiar nature of trade unions in Nigeria, and the central industrial movement in the country.

2.0 Objectives

At the end of this study unit, you should be able to:

- explain the meaning of trade union
- analyse the theories of trade unionism
- explain the peculiar nature of trade union movement in Nigeria
- identify and explain the statutory requirements for the formation and registration of trade unions in Nigeria
- explain the classification of trade unions in existence in Nigeria
- explain the position of the central trade union in the country.

3.0 Main Content

3.1 Meaning of a Trade Union

A trade union is simply an organisation of workers formed by such group of workers with a view to using it to protect their interests. According to the Trade Union Act (Amended) of 1978, a trade union is any combination of workers or employers, whether the combination in question would or would not, apart from the Act, be an unlawful combination by reason of any of its purposes being in restraint of trade, and whether its purpose do or do not include the provision of benefits for its members.

The definition of a trade union in legal terms is somehow ambiguous since employers' organisation too is regarded as a trade union. In view of Webbs as cited by Akubuiro (2003), a trade union is an organisation of workers whose major purpose is to improve or at least maintain the working conditions of their members. This is in cognisance of the famous declaration by Robert Peels as cited by Akubuiro (2003) that men who have nothing no property, except their manual skill and strength, ought to be allowed to confer together, if they think it fit for the purpose of determining at what rate they will sell their property.

The above views underscore the essence of a trade union movement in any industry or any country, and Nigeria is not an exception.

Self-Assessment Exercise

Explain the meaning of a trade union showing how a trade union is different from an employers' association.

3.2 Theories of Trade Unionism

There are some theories which tend to justify the existence and therefore, the essence of trade unions in any country or an economy. Such theories are espoused below.

1. The Webbs Theory

The theory is referred to as the Webbs theory for the mere fact that it was propounded by Sydney and Beatrice Webbs, the founders of the famous London School of Economics, who happened to be husband and wife.

The theory postulates that workers are primarily bound together for the purpose of improving and maintaining their working conditions. Therefore, the workers regard it as a way to economically motivate each other. Webbs believe that workers are directly concerned with the wages and all related allowances, compensation packages, and hours of workers.

The Webbs argue that workers find themselves in a union because they realise that they are powerless fighting singly; hence the need to present a united front through their union in fighting for their rights and privileges.

Essentially, the Webbs postulate that when workers organise themselves into trade unions, they are interested in creating a potent means through which to pursue and achieve their economic freedom.

2. The Selig Perlman's Theory

As an American, Selig Perlman postulated that trade unions emerged from individual workers quest to deal with the problem of job scarcity.

Against such view, Perlman contended that the pattern of industrial organisation in any given economy depends on factors such as: the mix of union executive, their strength and ability to resist the capitalist who is the owner of the capital and the organisation; the job consciousness of a worker; and the role of the intellectuals.

3. Frank Tannerbuam's Theory

Tannerbaum postulated that workers are driven to form unions as a result of the sense of feeling of being alienated from both the job and the society. Therefore, the workers strive to use the union avenue to relief themselves of such alienation. In essence, workers do form unions to create an avenue for collective and mutual relationship among themselves.

Tannerbaum believes that this kind of security was provided to workers by the formation of guilds. Hence unions only sprang up to represent the guilds. Tannerbaum contended that workers, therefore, formed unions to recreate and to take place of former guilds and not necessarily for economic gain.

4. Karl Marx's Theory

Max postulated that trade union is association of workers in which the workers organise themselves to overthrow the capitalist sector, which has been exploiting their industrial and then compete among themselves for available jobs.

According to Max, the only way by which the workers can make their lots better is by forming unions, with which they will overthrow the capitalist, their employers who constitute themselves as the masters. Hence, the workers would be in a good stead to control the means of production and thereby improve their working conditions.

5. John Commons' Theory

According to this theory, trade unions are formed as partners in progress with the employers. Therefore, trade unions are not opponents of the employers, or slaves or have-nots.

Commons postulated that unions came to be, so as to work hand in hand with the employers, with the believe that if the profit increases they themselves will share out of it.

6. Robert Hoxies' Theory

The theory suggests that workers drew themselves into unions not necessarily for any other reason but because of their psychological need to form groups, which can be used for every other thing.

The reasoning according to this theory is that trade union cannot improve the conditions of the workers. Rather it is the group effect whether formal or informal that achieves it.

Self-Assessment Exercise

Identify and explain the various theories propounded by eminent scholars to rationalise the advent of trade union movement.

3.3 Trade Unionism in Nigeria

As you have observed in the introductory part of this unit, trade unionism in Nigeria started during the colonial rule, precisely in 1912 at the advent of the formation of the Nigerian Civil Service Union which has membership strength covering all the then workers in the civil service in the country.

A sprinter organisation called the Nigerian Union of Railway Workers sprang up in 1931 as a result of government policy which spelt a reduction in wages of the workers, the intent of which was to fight inflation.

The railway workers under the leadership of Michael Imodu reacted to the wage cut and they subsequently formed the Nigerian Union of Railway Workers. Hence the Nigerian Civil Service Union considered to be docile in fighting for the right of the workers was ditched by the railway workers, which later on became militant towards the colonial masters.

The formation of the Railway Workers' Union influenced other government workers to form their unions, notably the birth of the Nigerian Union of Teachers in 1931 as spearheaded by nationalists such as Rev. Kuti and Alvan Ikoku.

3.3.1 Factors for the Emergence of Trade Unions in Nigeria

Apparently you will understand that certain factors are responsible for the emergence of the trade unions in Nigeria. Such factors are as identified and discussed below.

1. The colonial rule

The colonial administration in terms of the behaviour of the colonial masters apparently prompted the formation of trade unions in the country. The workers under the colonial administration work under forced industrial and exploitative conditions to the advantage of the colonial masters. Hence the workers were looking for an avenue to fight for their rights. Above all, the wage cut of the 1931 gave some impetus to the emergence of radical trade unions in country.

2. Impact of industrial revolution

The expansion in industrial undertakings in Europe led to high demand for the country's agricultural endowments which serves as veritable raw materials for their industries. The inflow of capital gave rise to expansion in employment which was in hundreds of thousands. By implication, the radical ones among the workers who were well informed spearheaded trade union movement.

3. Colonial government as major employer of industrial

The colonial government was the main employer of industrial in the country. The fact that the workers were subjected to hardship, exploitation and poor wages coupled with the workers resentment for colonial administration gave rise to group formation among the workers and by extension the formation of trade union with which to confront the colonial masters.

4. Impact of the world wars

The emergence of trade unions in the country is also attributable to the influence of the world wars during which the Africans were made to understand unionism better through their European counterparts.

5. Role of international industrial organisations

The international union movements have tremendous influence on the formation of trade unions in Nigeria. There were industrial and trade unions whose membership cuts across countries and continents of the world.

The existence of such organisations enabled Africans including Nigerians to learn about unionism, and therefore serve as influencing factor for the formation and emergence of trade unions in the country. Examples of such international unions are the World Federation of Trade unions (WFTU) and International Federation of Christian Trade Union (ICFTU), among others.

6. Government policy

The promulgation of the Trade Union Ordinance of 1938 in Nigeria also played some definite role in the emergence and growth of trade unions in the country. The Ordinance gave official recognition to the existence of trade unions and the freedom for the workers to participate in the formation of trade unions in the country.

7. Emergence of political parties

The political consciousness of Nigerians during the colonial period gave rise to the formation of political parties in the country. T heir activities coupled with the influence of the internal industrial unions led to political agitation and the use of strike as political tool in Nigeria.

8. Class conflict and political development in West Africa

The spate of strikes, class struggles and conflicts in West Africa during the colonial period also gave impetus to the emergence and spread of trade unionism in Nigeria.

The colonial period witnessed a spate of spontaneous strikes about poor conditions of service by the workers. For instance, there were the strikes by the Road Workers (1874) in Sierra Leone, Workers of Public Works Department (1877) in Nigeria, and Workers of Public Works Department (1919) in Ghana as well as in the French colonies.

9. Impact of the Great Depression

The Great Depression of the 1930s, precisely from 1929-1932, with its effects also influence the rise of trade unionism in Nigeria. For instance, an effect of the depression in form of high unemployment led to the reduction in the civil service salaries. There was discontent among the civil servants in the West Africa colonies, as a result of which trade unions sprang up. Examples are Industrialers Union (1929) in Sierra Leone, Motor Drivers Union (1931) in Ghana, Railway Workers Union and Nigerian Union of Teachers (1931) in Nigeria and Barthrust Trade Union (1933) in Gambia.

Self-Assessment Exercise

Identify and discuss the reasons which have influenced the growth and development of trade unionism in Nigeria.

3.3.2 Structure of Trade Unions in Nigeria

The structure of trade union refers to the classification or grouping of unions into related areas. In Nigeria, the trade unions can be grouped into major categories such as indicated below.

1. General work union

The unions under this group have membership cutting across various different grades in terms of employment. In other words, these unions are normally organised by people of different grades in terms of their status or positions in their organisations.

In essence, there is no discrimination against any category of workers in terms of membership. The unions, therefore, are open to all categories of workers in the related areas of work. A good example is the Coal Mining Union. Another example is the Association of Senior Civil Servants of Nigeria.

2. Craft unions

The trade unions under this category are organised and run by professionals in specific trades regardless of their place of work. In other words these unions have membership that cuts across organisations whether in private or public sector. Example of such union is the Nigerian Medical Association, which has been formed to protect the interest of all doctors in both private and public sectors.

3. Industrial unions

These are the trade unions which are formed by workers who are in the same industry. In other words, these are unions organised on industrial basis such unions for textile workers, bank workers, civil servants, petroleum workers, etc.

Self-Assessment Exercise

Identify and explain the distinct categories to which the various trade unions existing in Nigeria can be classified.

3.4 Formation and Registration of Trade Unions

It is compulsory, as you will understand that a trade union must be formed and registered with the appropriate authority before it can operate in the country. The issues of formation and registration of trade unions are therefore considered herein.

3.4.1 Formation of a Trade Union

For a trade union to be formed the following conditions must prevail:

- Membership strength of at least 50 workers.
- A distinct identity different from the existing trade unions.
- The name does not contain reference to a person, institution, etc.

- The interests of members of the new union are not sufficiently represented by an existing trade union.
- The purpose of the union is lawful and apolitical.

3.4.2 Registration of Trade Unions

Trade unions can only be recognised if they are registered with the Registrar of Trade Unions. By virtue of the Trade Unions (Amended) Act of 2005, once a trade union is duly registered with the Registrar of Trade Unions, it is compulsory for an employer to accord recognition to such a union.

An application for registration shall contain among others the following information:

- Address to which communication may be addressed.
- When the union was formed.
- Mode of amending the union rules.
- Provision for appointing, removing and the duties of the union officials.
- Provision for investing union funds.
- Provision for auditing the books of the union.
- Provision for dissolution of the union.

The approval or registration of trade union by the Registrar of Trade Unions is contingent upon the following conditions:

1. At least 50 members of the union must sign the prescribe application form.
2. The membership of the union does not include the employer's name.
3. The membership of the union does not include senior staff or senior management to avoid conflict of interest.
4. The application contains the name under which the trade union wishes to be recognised.
5. The application contains an authentic office address.
6. The application is accompanied by two copies of the union rules.
7. The application is accompanied by a list showing:
    - The name, address, age and occupation of each of the persons by whom the application is signed.
    - The official title, name, address, age and occupation of each official of the union.

Self-Assessment Exercise

What are the requirements for the formation and registration of trade unions in Nigeria?

3.5 Membership and Funds of Trade Unions

3.5.1 Membership of Trade Unions

Member of a trade union means a person normally engaged in a trade or industry which the trade union represents and a person either elected or appointed by a trade union to represent workers interest.

Membership of a trade union cannot be refused on the ground that a person is of a particular community, ethnicity, town, religion or political opinion. The Trade Unions (Amendment) Act, 2005 does not protect a worker who does not want to belong to a trade union.

Thus, the Act provides that: 'notwithstanding anything to the contrary in this Act, membership of a trade union by employees shall be voluntary and no employee shall be forced to join any trade union or be victimised for refusing to join or remain a member.'

However, there are certain categories of public workers who are prohibited by the Trade Unions (Amendment) Act of 2005 from belonging to trade unions. Such persons are the:

1. Members of the Armed Forces
2. Members of the Police Force
3. Members of the Customs, Immigration and Prison Services
4. Workers of the Central Bank of Nigeria
5. Workers of the National Drug Law Enforcement Agency
6. Members of other services who are authorised to bear arms.

Nevertheless, such workers can set up joint consultative committees to protect their interests.

In another category, staff recognised as a projection of management in any organisation cannot be a member or hold office in a union. According to the industrial law, it is immaterial that such a person is junior or higher in rank than other members of the trade union. Furthermore, it is considered sufficient if his or her status, powers and duties belong only to a person exercising executive authority in the organisation.

Lastly, persons or workers of organisation under the age of 16 cannot belong to a trade union.

3.5.2 Funds of Trade Unions and Politics

Prior to the amendment of the Trade Union Act of 1978, the employer had a duty to make deduction from the wages of every worker who is eligible to be a member of any trade union and pay such deductions to the registered office of the trade union after deducting what is due to the Central Industrial Organisation.

The amended Act of 2005 has a provision which only requires an employer to make deductions from the wages of workers who are members of the union and not those who are eligible to be members.

Furthermore, there is no need for the operation of the contracting out system as workers must have indicated their intention to be members before union dues can be deducted from their wages.

Prior to the amendment of the Act, deductions are made from the salaries of the junior workers who are eligible to be members of the union unless they asked their employers not to do so. It is no longer the case by virtue of the provision of the Trade Unions (Amendment) Act 2005, which stipulates that membership of trade union, is now voluntary for all workers of organisation.

The Amended Act also provides that the employer would not have to deduct any sum due to the Federation of Trade Union. The trade unions would have to pay directly and on their own, their dues to the federation.

The Trade Union (Amendment) Act of 2005 forbids the trade unions in Nigeria from using the pool of funds generated from the union dues to engage in furthering political objectives.

The objectives that are deemed to be political objectives by the Act are as follows:

1. Making contributions toward the funds of any political party.
2. Payment of any expenses incurred (whether directly or indirectly) by a candidate or prospective candidate for election to any political office in Nigeria or any part of Nigeria, being expenses incurred before, during or after the election in connection with his candidature or election.
3. Holding of any meeting or the distribution of any literature or document in support of any such candidate or prospective candidate.
4. Maintenance of any person while he holds any political office in Nigeria or any part of Nigeria a political office to which he has been elected.
5. Registration of electors in Nigeria or any part thereof.
6. Holding of a political meeting of any kind or the distribution of political literature or political documents of any kind, unless the main purpose of the meeting or distribution is to further the regulation of the terms and conditions of employment of workers.

The Trade Union Act expressly states that: "unless the rules of a trade union otherwise provide, in so far as the funds of a trade union represent payments which the members are required to make under the rules, whether by way of subscriptions, dues or otherwise, those funds shall not be applied (whether directly, or through any other union, association or body, or in any other indirect manner) to the furtherance of any political objective.'

The above indicates that it is a blanket prohibition of expenditure of union funds in furtherance of political objectives. The implication is that where the rules of a trade union expressly permit it, the funds of the union can be used in aid of a political objective. For instance, if a union makes profits on the union's investments such as stocks or treasury bills or real estate, the funds can be spent in furtherance of political objectives without violating the provision of the Industrial Union Act.

Self-Assessment Exercise

Mention reasons why union funds are prohibited from being used to further the cause of political parties or politicians.

3.6 Central Industrial Organisations in Nigeria

3.6.1 Central Industrial Union in Nigeria

The central industrial union is the central organisation which coordinates the activities of all industrial unions at the national level in the country. Hence it has some functions to perform for the affiliated unions in terms of protecting their interests and championing their cause for better working condition and enhanced environment for defined industrial productivity across the general spectrum of the economy.

The Nigeria Labour Congress (NLC) is the umbrella organisation for the industrial unions in both the public and the private sector of the country. And as such you will understand why the Congress (the NLC) has been in the vanguard of fighting for the rights of the Nigerian workers since its formation in 1976.

There were several attempts to form a central industrial organisation in the country before the advent of the Nigeria Labour Congress. The first attempt according to available record, to establish a central industrial organisation was in November 1942, which led to the formation of the Federal Trade Union of Nigeria (FTUN). The body was only in existence for some few months before its untimely demise.

Another attempt in 1943 gave birth to a new body called the Trade Union Congress (TUC), which was accorded recognition by the colonial government. In addition the Nigerian Federation of Labour (NFL) was formed but it could not get much support from the trade unions in the country due to the fact that majority of the existing industrial unions refused to be affiliated with the new body. The situation led to its eventual demise.

Eventually a group of 29 national industrial unions came together to organise the All Nigeria Trade Union Federation (ANTUF) which was led by Ugochi Nzeribe an industrial activist who was Marxist inclined. As a result of such posture of the leader of the central organisation many of the moderate trade unions declined to be affiliated. Another body was formed almost within the same period, which was called the National Council of Trade Unions of Nigeria (NCTUN) precisely in May 1957.

The present national body, the Nigeria Labour Congress (NLC) was ultimately formed in 1976, which eventually became the only rallying central industrial organisation for all the trade unions in the country.

The objectives of the Nigeria Labour Congress (NLC) as set out for its formation are as follows:

1. To give a sense of direction to all trade unions in the country.
2. To remove ideological differences, this had affected other bodies before.
3. To rationalise the structure in the organisation and remove barriers to the source of finance.
4. To improve quality of leadership.
5. To strengthen its administration through adequate provision of required tools and human resources thereby enforce industrial laws and regulation.
6. The need to continue to support industrial organisations, e.g., the African Trade Union and the International Labour Organisation (ILO).

3.6.2 Federation of Trade Unions

By virtue of the existence of the Trade Unions (Amendment) Act of 2005 the Nigeria Labour Congress is no longer the only registered federation of trade unions. The Central Industrial Organisation has been replaced by Federation of Trade Unions. Nevertheless, the Nigeria Labour Congress shall continue to exist unless and until it is dissolved, amalgamated, judicially forfeited or its registration cancelled.

The amended act has also made provision which allows trade unions in different trades, occupations or industries to come together and form a federation. Hence there comes the need to replace the Nigeria Labour Congress with the Federation of Trade Unions.

The rationale for permitting the formation of other central trade unions or federation of trade unions is in tandem with democratic practices. This is in view of the fact that the existence of only one central industrial organisation is at variance with the country's constitution and some conventions of the International Labour Organisation.

A federation of trade unions may be registered if it satisfies, among other conditions, the following conditions:

- Its main objective is to represent the interest of employees.
- It is made up of 12 or more trade unions, none of which shall have been a member of another registered federation of trade union.
- It has been established by resolution of the national delegates conference of the trade unions that constitute its members.
- It has adopted a name that does not resemble the name of another federation of trade unions.

The decision of the Registrar of Trade Unions to register or not to register a federation of trade unions is to be given within 90 days of application. The registered federation of trade unions shall be issued with a certificate of registration.

The amended Act also provides that those aggrieved by refusal are not given the right to appeal the decision of the Registrar just as is the case with refusal to register trade unions.

Self-Assessment Exercise

Give reasons which inform the granting of the existence of parallel central industrial organisations in the country.

4.0 Conclusion

From above analysis, you can understand the fact that trade unionism is an integral aspect of modern industrial organisations, which is inevitable towards protecting the rights and interests of workers in their various organisations. Hence you can appreciate why you have been a member of one trade union or the other at your workplace. It is also instructive for you to note that the Nigeria Labour Congress is not the only central trade union any longer because the amended trade union law has made provision for the formation of the federation of trade unions as parallel bodies to the Congress.

5.0 Summary

This study unit has been used to espouse on the essence of trade unionism in any industrial organisations. In particular, the unit is used to throw light on the nature of trade unions in the country, requirements for their formation and registration, structure of trade union in Nigeria, funds of trade unions and politics, membership of trade unions and the central organisation of trade unions in the country. In the next study unit, you will be taken through the realm of employers' organisation, an association which represents the interest of the employers of industrial in Nigeria.

6.0 Self-Assessment Exercise

1. Mention and discuss the theories of trade unionism.
2. List and explain the factors which favour the emergence of trade unions in Nigeria
3. Identify the requirements for the formation and registration of trade unions in Nigeria.

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Unit 5 Employers Organisation in Nigeria

1.0 Introduction

For effective involvement of the government in the management of industrial affairs in the country, there is the need for the existence of a viable body within the organised private sector with which the government can rely on for consultation. As it were, the existence of such a forum will enable the government to secure a proper grasp of the intricacies of industrial relations in the industries upon which industrial policies can be formulated and implemented.

Therefore, in this unit, you are going to learn all about the existence of such a forum in the organised private sector. In essence, this unit is used to discuss the formation, organisation and structure of the Nigeria Employers' Consultative Association; an association which has been create by the organised private sector to function with the principal responsibility of articulating industrial issues towards helping the government to fashion out appropriate industrial policies in the country.

2.0 Objectives

At the end of this unit, you should be able to:

- explain the reason for the formation of the Nigeria Employers' Consultative Association
- analyse the structure and organisation of the Nigeria Employers' Consultative Association
- identify and explain the services being provided by the Nigeria Employers' Consultative Association.

3.0 Main Content

3.1 Formation of the Nigeria Employers' Consultative Association

The Nigeria Employers' Consultative Association (NECA) constitutes the central organisation for the employers in the organised private sector of the country. The formation of the body (NECA) was prompted on the strength of the suggestion by the government regarding the need for such a body to exist for consultation on social and industrial policy matters.

The Association was subsequently inaugurated on the 16th of January 1957 to serve purely as a consultative body within the organised private sector in the country. Initially the Association was structured out into geographical groups and industrial sectors mainly on an informal nature until the Trade Unions (Amendment) Decree 22 of 1978 was promulgated, which implied legal status for the sectoral employers' associations. Hence by virtue of this Decree, all the sectoral employers' associations in the country were accorded legal recognition as trade unions.

On the strength of the number of the employers' consultative associations existing in the country, NECA was re-organised into a quasi-confederation with membership structure such as follows:

1. Ordinary Members

These are individual companies or corporate bodies which employ a minimum number of 5 workers, and engage mainly in business or economic operational activities such as manufacturing, distribution, retailing, agriculture, mining, finance, transportation services, consultancy, etc, both in the private and the public sectors of the economy.

The present scenario is that such companies, which number over 500, form the bulk of the NECA membership.

2. Associate Members

These members are the statutory corporations whose operational activities are carried on in similar way to that of an industrial undertaking, trade or business. Furthermore, they are the type of corporations which maintain separate accounts not forming part of the government at any level of the polity. The number of such corporations is now few in view of the accelerated privatisation policy of the Obasanjo administration.

3. Affiliate Members

These members are the industrial and sectoral employers' associations, industrial groups or trade associations. Most of these organisations which are affiliate members of NECA are trade unions that are registered under the Trade Unions (Amendment) Decree of 1978.

Affiliate members of NECA include the following:

- Association of Automobile, Boatyard, Transport Equipment and Allied Employers of Nigeria.
- Association for food, Beverages and Tobacco Employers.
- Association of Furniture, Fixtures and Woodworking Employers of Nigeria.
- Association of Metal Products, Iron and Steel Employers of Nigeria.
- Chemical and Non-Metallic Products Employers' Association.
- Construction and Civil Engineering Employers' Association of Nigeria.
- Employers' Association of Leather, Footwear and Rubber Industries of Nigeria.
- Hotel and Personal Service employers' Association
- National Association of Agriculture and Allied Employers.
- Nigeria employers' Association of Banks, Insurance and Allied Institutions.
- Nigeria Association of Small-Scale Industrialists.

Self-Assessment Exercise

Identify and discuss the various types of membership of the Nigeria Employers' Consultative Association.

3.2 Structure and Organisation of NECA

The structuring and organisation of NECA, which have been on the basis of operational efficiency, informed the philosophy of grouping its members according to common interest such as functional, industrial and geographical categories.

On industrial basis, the grouping is on formal industrial employers' associations which are registered under the Trade Unions Act. On the basis of geographical grouping, the members within a state or an industrial or commercial location (or clusters) have been constituted together for the purpose of common interest.

The implication is that representation of members to the governing council of the Nigeria employers' Consultative Association (NECA) is mainly on industrial and geographical basis.

3.3 Organs of the Nigeria Employers' Consultative Association

The main organs of NECA are as highlighted and discussed below:

1. The annual general meeting

The annual general meeting represents the highest organ of NECA. Therefore, it has the responsibility of electing the officials, approving the audited accounts and the report of the administration of the association for any year. The organ also has the responsibility of appointing the members of the governing council of the association.

2. The governing council

The Council has the responsibility of formulating the policies of the Association. It also has the onerous responsibility of supervising the implementation of the association's policies so formulated by the Council from time to time.

The membership of the Council is made up of the elected officials and representatives of the industrial and geographical groups in addition to some few co-opted members. The meeting of the council comes up once every month in between the annual general meeting.

3. The management committee

The management committee is constituted to be responsibility to the governing council in terms of efficient implementation of its policies as well as the elected officers and the chairman of the industrial relations committee.

4. The industrial relation committee

The committee represents the standing expert committee of the association, which has the responsibility of advising the governing council and members on industrial relations issues and other related matters.

The membership of this committee is drawn from the ordinary, associate and affiliate members of the association. Such members of the committee are normally selected on their own individual merit. The chairman of the committee is usually a member of the governing

council. As an expert committee, it also has the responsibility of advising the association on issues pertaining to training and development of employees and other related matters.

3.4 Services of the Nigeria Employers' Consultative Association

The Nigeria Employers' Consultative Association (NECA) as a forum for the employers in terms of addressing industrial matters, has some services which it provides for the member organisations. Such services are as categorised below:

1. Clearing house

The Nigeria Employers' Consultative Association (NECA) provides a viable forum for the employers in the country for activities such as meetings to discuss, consult and exchange views and information.

Through this forum, the association promotes cooperation among employers of industrial in various industries, trades and other business undertaking in the country.

NECA is also involved in coordinating the activities of the various industrial employers' associations and the geographical groups. Such onerous responsibility as discharged by NECA is to ensure that industrial and geographical employers' associations do not operate at cross purpose.

2. Liaison and representation

NECA serves as the organised private sector's representative and their mouth piece to the government at various levels of the polity.

The association also has the responsibility in maintaining working relations with the educational and training institutions in the country.

Furthermore, it also has the responsibility of representing the employers at both national and international fora such as:

- National Industrial Advisory Council (NLAC)
- National Directorate of Employment NDE)
- Nigeria Social Insurance Trust Fund (NSITF)
- Industrial Training Fund (ITF)
- Administrative Staff College of Nigeria (ASCON)
- International Labour Organisation (ILO)
- Internal Organisation of Employers (IOE)
- Pan-African Employers' Confederation (PEC).

For effective articulation and representation of the employers' views and interest at the government level, NECA has the responsibility of working closely with the Manufacturers Association of Nigeria (MAN) and the National Associations of Chambers of Commerce, Industry, Mining and Agriculture (NACCIMA).

3. Advice and guidance

NECA has the responsibility of giving advice to its member organisations on major national issues bordering on industrial matters. Furthermore, the association also gives routine advice to the members on matters such as employer-employee relations, relations with their industrial unions, human resource development and utilisation, human resource management and employee welfare services.

4. Human resource development services

The association also renders full complement of human resources management services towards helping some of its member organisations in managing and developing their human resources.

NECA is also involved in assisting its member organisations in recruitment, selection and placement of suitably qualified candidates for their existing job vacancies. The association also assists in setting up employment policies, system of compensation and administration in non-unionised workplaces.

NECA also assists its member organisations in managing the career development of their employees and succession planning of their management team.

5. Training and education

In discharging its responsibility of developing the member organisations' human resources, NECA undertakes advanced management courses and programmes for the employees of such member associations. Such reputable courses include Advanced Industrial Relations, Human Resources Development and Pre-retirement Seminar, among others.

NECA also routinely mounts specialised courses tailored to meet prevailing exigencies and trends in the various industries in which the member organisations operate.

Such specialised courses include: productivity improvement schemes; wages and salary administration; application of computer in personnel administration; and industrial relations seminars for chief executives of corporate bodies, among others.

6. Data bank

NECA constitutes a data bank of knowledge, practice and information which is available for the member organisations' access and use in developing their operations.

In line with this onerous responsibility, NECA routinely conducts surveys for information in industrial and operational matters based on the needs of its members. For easy access of its member organisations to data, NECA makes available or circulates the results of such surveys to them.

Furthermore, NECA also assumes the responsibility of communicating other vital information and data to its members through circulars and memoranda of advice and guidance, and publications such as the NECA news, updates and bulletins, among others.

Self-Assessment Exercise

Mention and explain the various forms of services being rendered by NECA to its member organisations.

3.5 Organisation of the NECA Secretariat

The administrative organ of the association has full-time staff on professional and administrative basis. Such staff members have the responsibility of carrying out the day-to-day operational activities of the Association. They also serve the various organs of the association as well as implementing their decisions.

The NECA secretariat has a Director-General as its administrative head who, by implication is the Chief Executive Officer and an ex-officio member of the governing council of the organisation.

The Director-General as the Chief Executive of the association is being assisted by heads of professional departments and the administrative, accounts and protocol officers.

For effectiveness and efficiency, the NECA secretariat is structured out into units such as discussed below.

3.5.1 Industrial Relations Department

The department has the responsibility of working closely with the industrial employers' associations and member organisations in the areas listed below:

- The promotion of sound system of industrial relations.
- The development of remuneration policies and practices consistent with national policies and tailored to the peculiar needs and capabilities of the private sector organisations.
- Employment and human resource policies and strategies at the company levels, taking into consideration problems associated with them.
- Industrial laws, disputes settlements, procedures and conflict resolution.
- Institution building and development.
- Collective bargaining, joint consultation, productivity and workers' participation.

3.5.2 Training, Human Resources and Research Department

This department has the responsibility of reviewing and updating training and human resources development policies in line with the rapid economic and industrial changes in the private sector. It is also the duty of the department to offer assistance to various organisations in developing effective and efficient training and retraining schemes for improved productivity.

The department has the onerous responsibility to ensure that it utilises the most effective and efficient resources for widening the scope of existing programmes as well as establishing new ones.

The department is entrusted with the responsibility of developing and running in-plant training programmes and courses for member organisations.

The department has a research section which develops and maintains a regular flow of information on industrial matters through surveys and international literature search.

It is also the duty of the research section to regularly publish available programmes and courses, the *NECA News* (a quarterly journal), seminar and workshop papers, and newsletters.

The department also maintains an industrial statistical data-bank, on information retrieval basis, as a facility for the use of the member organisations. The areas of research programme of the department are: training methods and their effectiveness; development of industrial sectoral management staff; compensation costs on employers; and new work system.

3.5.3 Economic and Legal Department

The department has the responsibility for managing the following operational activities of the organisation's secretariat.

- Economic policies
- National budget and development
- Industrial legislation
- Political policies
- Relations with government agencies
- Relations with Nigeria Labour Congress
- Relations with MAN and NACCIMA
- Public affairs
- Technical committee

3.5.4 Small Business Unit

NECA has recorded a high level of membership coming from the small business operators who are members of the association, some with a labour force of just about ten workers. Therefore, there is need for the Association's involvement in promoting the small and medium enterprises in their operational activities.

This is why NECA's effort is geared towards providing training and consultancy services to the group of small businesses who are members of the association. The reason for such involvement of the association is to assist in formalising their operations and thereby contribute to their sound operational footing. To facilitate the achievement of this goal, NECA has initiated viable linkages with the government and non-governmental organisations in order to help develop the small and medium scale enterprises in the country.

Self-Assessment Exercise

Discuss the nature of the organisation of the secretariat of Nigeria Employers' Consultative Association.

4.0 Conclusion

From above analysis, you can understand the need for the existence of an employers' association in a country such as Nigeria. As a central body with a mandate to act as a consultative organisation on industrial matters for the employers of industrial in the country, and by implication, serves as a source of advice and information to the government for the formulation of appropriate industrial policy. You have also been exposed to the onerous responsibilities being discharged by the Nigeria Employers' Consultative Association to the member organisations of such an association in the course of carrying out its operations in the country.

5.0 Summary

This unit has been used to explain the rationale for the existence of an employers' consultative association. Furthermore, you have been taken through the various administrative organs being used by the Nigeria Employers' Consultative Association to discharge its duties to its members. In addition, the unit also treats the organisation of the Association's administrative secretariat, which is structured out into departments for effectiveness and efficiency.

6.0 Self-Assessment Exercise

List and explain the various administrative organs, and their functions, that are being used by the Nigeria Employers' Consultative Association to carry out its mandate.

7.0 Reference/Further Reading

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Unit 6 Health and Safety of Workers within Work Environment

1.0 Introduction

The promotion of health and safety practices in the work environment reflects the need to ensure that the employees do not come to any form of harm on their jobs. The cliché goes that the productive workers are the healthy workers in any organisation. Therefore, it is obligatory on the employers to assume the onerous responsibility towards ensuring that the workers are genuinely protected and guided through appropriate framework on health and safety.

You have to understand the fact that employers can be held liable for injuries as a result of avoidable accidents at workplace, and the cost to the organisation can be astronomical.

In this study unit therefore, you will be taken through the discussion on the issues relating to the health and safety of the employees at the workplace.

2.0 Objectives

At the end of this unit, you should be able to:

- explain the reasons for the promotion of health and safety
- identify the duties of both the employers and employees in health and safety matter
- identify and explain the necessary considerations in health and safety policy
- identify the necessary precautionary measures in health and safety management
- mention and explain the factors to consider in establishing business operational premises to obliterate the effects of internal and external environment.

3.0 Main Content

3.1 Reasons for Promoting Health and Safety at Work

In the workplace, the employees constitute the prime movers of operations. Hence their health and safety cannot be relegated to the backburner in the scheme of things in any organisation.

The role of the state in promoting health and safety through legislation merely reflects the overall concern for safe working environment in the offices, institutions and factories. Such health and safety regulations are in areas of ventilation, cleanliness, fire precautions, pollution, and provision of protective gadgets, among others. In addition, there are regulations directly relating to working practices.

The employers are therefore, advised to put in place appropriate safety measures and policy towards ensuring that workers health and safety are promoted in the work environment.

Maintaining health and safety at work is imperative due to several reasons. Such reasons are

1. Healthy employees are probably the more effective ones in any organisation.
2. It is the responsibility of the employers to cater for the health and safety of the employees within the work premises.
3. The employer has legal obligations for the health and safety of employees at the place of their work.
4. Accidents and illness cost the employer money in terms of the medical, and legal expenses, as well as operating costs.
5. The company's image in the marketplace and the society will suffer if its health and safety record is bad.
6. Loss of valuable employees who may become incapacitated as a result of accidents at the workplace.
7. Court cases resulting from bodily harm on some employees as a result of accidents within the company's premises.
8. Loss of business as a result of public reaction on death of workers based on major operational disaster such as fire outbreak.
9. Disruption in operations as a result of major operational disaster associated with chemical leakage or fire outbreaks.
10. The need to guide against operational disruptions, loss of revenue, bad image and avoidable court cases on health and safety issues.

You will appreciate from the foregoing reasons that the need to take health and safety issues very seriously cannot be overemphasised.

Self-Assessment Exercise

What are the reasons for the promotion of workers' health and safety at workplace?

3.2 Duties of Employers and Employees in Health and Safety

In health and safety practices at the workplace both the employers and the employees have strategic roles to play in ensuring that such practices are ingrained in the organisation culture.

Such roles of both the employers and the employees are as follows:

3.2.1 Employers' Duties in Health and Safety

1. There must be health and safety policy in place for health and safety practices.
2. All systems of work and work practices must be safe.
3. The work environment must be safe and healthy.
4. All plant and equipment must be maintained to the necessary standard. There are specific rules about guards on machines.
5. Information, instruction, training and supervision should be directed towards safe working practices.
6. The safety policy should be clearly communicated to all the employees.
7. Carry out on a continuous basis, risk assessment generally in writing, of all work hazards.
8. Introduce controls to reduce risks at the workplace.
9. Assess the risks to anyone else affected by their work activities.
10. Share hazard and risk information with other employers operating on adjoining premises, contractors and customers coming into their premises.
11. Revise safety policy on continuous basis, in terms of safety rules and regulations in the light of current changes and legislation.
12. Identify and give special protection to employees who are particularly at risk within the work premises.
13. Provide continuous training and education to the employees in safety matters.
14. Provide information to employees about health and safety practices.
15. Engage the services of competent safety and health experts for constant advice on health and safety matters.
16. Provision of safety gadgets to the employees, where necessary.

3.2.2 Employees' Duties in Health and Safety

- Take reasonable care of himself or herself and others.
- Assist the employers in enforcing safety and health rules.
- Obey safety and health rules at all times.
- Refraining from interfering intentionally or recklessly with any machinery or equipment.
- Inform the employer of any situation which may pose danger to their safety and the health of others.
- Take extra care in using and operating all machines and equipment.
- Use machines and equipment properly.
- Inform the employer of any defects in the operating system.

Self-Assessment Exercise

What are the areas of involvement of the employers in the promotion of workers' health and safety at workplace?

3.3 Health and Safety Policy

Health and safety policy is considered imperative towards enhancing safety awareness, promoting good practice, and above all, complying with legal obligations. Hence many organisations, not just those handling dangerous chemicals or operating factories, have appropriate safety and health policies put in place to ensure adequate compliance and entrenchment of safety culture among their employees.

The safety and health policy may incorporate the following features:

- statement of principles in terms of safety rules and regulations
- detail of safety procedures
- requirements of the law on safety and health issues
- details instructions on how to use machines and equipment
- training requirements on health and safety
- procedure for reporting accidents
- the use of the first aid materials
- designated officers responsible for health and safety issues
- precautionary measures required of the employees
- directives on the compulsory usage of the safety gadgets and other materials
- responsibility of the senior managers on breaches of safety policy
- strategies for the involvement of the employees in the management of health and safety, e.g. the use of consultation with the unions and workplace committees.

Self-Assessment Exercise

Highlight the essential things that should be incorporated in health and safety policy.

3.4 Precautionary Measures in Health and Safety Management

3.4.1 Reducing the Cost of Accidents

- The employer must enforce safety and health rules and regulations.
- Employers must not allow workers to work beyond the normal working hours, especially in the factories.
- The overtime period allowed for employees should not begin immediately after their shift hours.

- Employers should encourage and compel the workers to make use of the safety equipment and gadgets.
- The supervisors should be empowered to coerce the workers to obey safety measures.
- Mounting constant checks on the operating systems particularly in organisations handling chemicals.
- Instituting appropriate mechanism for proper and immediate reporting of accidents.
- Statistical trends on accidents should be monitored and analysed to reveal areas of recurring accidents for special attention.
- Instituting appropriate follow-up mechanism on accidents.
- The use of accidents report form designed to identify problems and indicate corrective measures.
- Communicate health and safety policy to all employees, e.g. through memoranda, newsletters, handbook, etc.

3.4.2 Reducing Frequency and Severity of Accidents

- Developing a safety consciousness among staff and workers, and encouraging departmental pride in a good safety record.
- Developing effective consultative participation between management, workers and unions so that safety and health rules can be accepted and followed.
- Giving adequate instructions in safety rules and measures as part of the training of new and transferred workers, or where working methods are changed.
- Materials handling should be minimised and designed as far as possible for safe working and operation.
- Ensuring a satisfactory standard.
- Instituting good maintenance culture.
- Full implementation of the appropriate code of practice for the industry and work environment.
- Safety inspections should be carried out regularly to locate and define faults in the system that allows accidents to occur.

3.4.3 Preventing Fire Outbreaks

1. Fire risks should be identified, particularly as regards sources of ignition, presence of combustible materials, and the means by which fires can spread.
2. The responsibility for fire prevention should be established.
3. A fire officer should be appointed for the organisation.
4. A fire prevention drill should be established and practised.
5. Secure the premises from external fire.
6. Standing instruction on the use of electrical appliances within the premises.

7. Disconnecting all electrical appliances after office hours.
8. Switching off all lights except the security light after office hours.
9. Banning smoking within the organisation's premises.
10. Keep the organisation's premises tidy at all times by burning the disused papers.

3.4.4 Health and Safety Workstations

1. Heat and humidity levels must be adequate but not uncomfortable.
2. Radiation must be reduced to negligible levels.
3. Work must be periodically interrupted by breaks or change in activity.
4. The employer must offer free eyesight testing at regular intervals and provide any special glasses that may be needed for screen work.
5. Employees must be consulted about health and safety measures.
6. Training in the proper use of equipment must be provided.
7. Windows must have appropriate blinds.
8. Seats or chairs must be adjustable in height, and the back in height and angle; footrests must be made available if required.
9. Desks must be free from glare; there must be enough space to allow flexible arrangement of all equipment and documents.
10. Keyboards must tilt and be free from glare; the workspace in front of them must be sufficient for the operators to rest their forearms.

Self-Assessment Exercise

What are the measures to be adopted by an organisation towards the reduction of health and safety problems in the workplace?

3.5 Work Environment and Workers' Health and Safety

The surroundings of the workplace include the immediate environment and the external environment as well as construction of the complex within which their particular office may be placed.

3.5.1 Internal Factors

Poor office design is responsible for "sick building syndrome" where poor lighting, inefficient air conditioning leads to persistent headaches and colds, etc. Other factors are as follows:

Heating, lighting and ventilation: Poor lighting and ventilation can affect worker's health.

Noise: Constant loud noise, or intermittent noise at any level, is distracting and can be reduced by various methods.

Décor: A well planned colour scheme, decoration, plants can be an important factor in the psychology of work.

Furniture: Ergonomics includes the design of office equipment so that the furniture is designed to be comfortable and supportive, and to avoid causing muscular problems.

Computer networks: Information technology involves a lot of wiring, and there must be enough wiring ducts under the floor to satisfy the organisation's IT needs.

Cost: The benefits of the perfect ergonomically-designed office would still have to justify their cost.

3.5.2 Office Layout

1. Small closed offices

These are linked by corridors with the advantage of privacy, peace and security. Some work requires peace and quiet environment.

2. Open plan offices

These are arranged like classrooms and lecture halls, to do away with the maze of walls and doors and make better use of space than small closed offices.

3. Landscaped offices

These are a variation of the open plan system, meant to overcome the latter's problems.

4. Hot desking

This is meant for the employees who work in the field. Under this system, the employees have a locker, and when they intend to be in the office, they phone in to book a desk space. The organisations which use such system are known to often provide better communal spaces.

The choice of the office style and the layout may depend on the use of work study and the amount of contact usually necessary between each section.

3.5.3 Siting of Buildings

It is regarded as the first consideration in the acquisition or construction of offices or factories. Inherent considerations are discussed below.

1. Location

This has to do with the location of the business premises, whether in the urban area or at the outskirt of the town.

2. Transport and communication

This is the consideration on whether the available transport and communication links are sufficient to keep up the inflow and outflow of materials, goods, information and people.

3. Cost

This is the consideration on whether the business can take advantage of lower land prices, lower rates and insurance costs or any concessions from the government on the outskirt of the urban areas.

4. The employees

Accessibility to the organisation's premises; whether they can easily commute or whether there is a sufficient pool of suitable industrial in the area.

5. The customers

This is the consideration on whether the customers of the firm based in the town; on how would the company keep in touch with them or attract new customers without an office in town to present public profile.

6. Facilities

This has to do with the proximity of the firm's premises to facilities such as banks, postal and parcel services as well as shops, restaurants and recreation facilities for the convenience of the employees.

7. Financial considerations

These largely determine the firm's attitudes to the above factors; the site, size and age of buildings acquired, and whether they are rented, bought or built, which will be determined by their cost. Such considerations will in turn determine operating costs such as insurance and rates, heating and lighting, maintenance and renovation.

Ergonomics which is the scientific study of the demands arising from a working environment and the capabilities of people to meet such demands can be used to determine the overall choice of the siting and location of an organisation's business premises.

Self-Assessment Exercise

Explain the term ergonomics. Give reasons for its use in the establishment of an organisation's premises.

4.0 Conclusion

From the above analysis, you can understand the need which informs the necessity for the promotion of health and safety in the work environment. In essence, the maintenance of health and safety at work should be considered as both a moral and a legal requirement on the part of the employers. Accidents at work can spell enormous cost implication for an organisation in terms of lost production, compensation, loss of competent workers, court cases and the like.

The management team is expected to set good example in health and safety matters, and they are expected to install equipment and procedures which tend to encourage safe

working environment. It is instructive to note that the work environment do affect productivity. Hence, the use of good ergonomics can reduce discomfort by structuring the work environment and equipment to the demands of the personnel.

5.0 Summary

The unit has been used to explain the rationale for the promotion of health and safety in the work environment. Therefore, you have been taken through duties of employers and employees in health and safety, the health and safety policy, and the precautionary measures to be adopted in health and safety management. Above all, the unit also discussed the precautionary measures against the effects of the work environment on workers' health and safety.

6.0 Self-Assessment Exercise

1. a. Give reasons why it is necessary to promote employees' health and safety within the work environment.

   b. Highlight the duties of both the employers and the employees in the promotion of employees' health and safety in the workplace.

2. Identify the necessary precautionary measures imperative for the management of employees' health and safety within the work environment.

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