INDUSTRIAL RELATIONS AS A STRATEGY FOR ENHANCING
ORGANIZATIONAL PERFORMANCE IN A DEMOCRATIC DISPENSATION IN
NIGERIA

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Abstract
From the business perspective, promotion of industrial relations in a democratic
dispensation obviously creates the benefit of several opportunities. A democratic
dispensation gives the hope that the visioning activities will move past rhetoric into an
era of reinforcement via commitment and action. But to this assertion, the state
government is not opening up opportunities for stakeholders to participate in discussions
that must precede important economic decisions. The problem is that most politicians
that took national economic decisions are not people who themselves have had first-hand
experience of life in productive sector of the economy. Also, observed is an existing
weak collaborative relationship between the government, labour unions and employers to
maintain the synergy that will provide strategic share objectives for the interest of the
national benefit. National economic decisions are presently reached without going
through a process of action preceded by analysis and discussions. The paper however,
explored how industrial relations can be a strategy for enhancing organizational
performance in a democratic dispensation in Nigeria. Recommendations were stated on
the way forward.

Keywords: Industrial relations, Strategy, Organizational performance, Democratic
dispensation.

Introduction
The contemporary world economy can be classified into three main sectors namely:
The market (or private) sector involving commercial organizations that thrive for most parts
through the generation of surplus value; the voluntary (or non-profit, non-governmental) sector;
and, the government (public) sector (Omenka, 2002: 106).

The fundamental challenge of organizational management in each of these tripod sectors
of the economy, is managing the labour workforce (employees), as well as other human capital
and resources in such a manner that the objectives of the organization will survive, grow and
profit-making will be achieved. To actualize these objectives in this present day world economy,
means having to contend with a labour workforce that is highly educated, very sensitive,
independent thinkers, and more inclined to challenge pre-existing organization’s structure of
authority which includes “registered” and non-registered” charitable organizations and the
statutory sector; which, in a federal democratic set-up like Nigeria, includes the central
(Federal), states and local governments, and their ministries, agencies or parastatals.
However, Olaopa (2019) observed that the problem is instead of establishing relative peace and tranquility as well as mutual collaboration between labour union and management as an important catalyst needed to improve performance, production and profit making, work organizations in recent times have progressively become characterized by industrial conflicts, strikes, politics of minimum wage, delayed salary/allowances payment, interminable squabbles, and occasional vociferous retrogressive reactions to policies. Such problems bedeviling organizations need a proper practice of industrial relations that will help to avoid the collapse of decorum and professional ethics in our work organizations. The general objective of the paper is to explore industrial relations as a strategy to enhance organizational performance in a democratic dispensation in Nigeria. The specific objectives are to reposition employer’s disposition to achieve a pattern of effective industrial relations as a strategic formula that will improve the organization’s operational performance in a democratic dispensation; and, the need for creating an environment where the employees are regarded by the management as important partners in the production process.

But the question is what is industrial relations and how do we ensure its near perfection practice that will enhance organizational performance? To contribute an answer to the questions, the paper attempted a definition of the industrial relations and examined it as a strategy for enhancing organizational performance. Using the democratic dispensation in Nigeria as our point of reference, the paper focuses on how employers can promote industrial relations under a democracy to achieve enhancement of organizational performance and achieve industrial harmony. The study used explorative discussion as methodology in the examination of the theme.

**Conceptualization of Industrial Relations**

In every organization, there are inter-relationships between the workforce and the management, and among the workforce (employees) themselves. The level of the relationship may differ. Some may be informed, personal inter-relationships, which are usually seen as trivial and insignificant. On the other hand, there may be social relations conceived with the aim of exerting profound pressure or influence on the larger apparatus or decision-making organs of the organization. In every organization, there is a network of rules and regulations which govern the workplace and the employees themselves. Besides, we may have within the larger community institutions of job regulations which involve the tripod components of the government, employers and employees.

Industrial relations is defined as:

All about employer-employee relationship in the workplace that usually create a harmonious condition to achieve the organization goals. The essence of which is to enhance the employer-employees satisfaction and further industrial peace and organizational growth. It deals with the application of naturally agreed duty in connection with status and roles of the workers in the organization and the relationship between the employer and employees, and the outside world (Opara, 2013: 68).
In this perspective, industrial relations core subject-matter has always been collective bargaining between labour union or analogous organization of employees on one hand, and employers and their associations on the other (Scott & Marshall, 2005). Also, Omenka (2002:106) is of the view that industrial relations could be referred to “As the study of these various kinds of inter-relationships as well as the rules guiding the organization’s daily operations and the activities of institutions charged with job regulations”. On job regulations, the government becomes the umpire to regulate industrial relations between the employers association, and the labour unions. The tripod corporate bodies of the government, employers and employees are three leading performers which must work together to make industrial relations work effectively in the state.

This relationship implies the labour/management relations that derive their legality through the recognition accorded by the government to the parties as partners in the production of goods and services. Furthermore, Opara (2013) observed that, by the same token, there is a range of public legislation regulating their day to day activities in the labour/management relationship. This legislation is embodied in what is generally referred to as the public labour policy provided by the government. It implies that the position of government in industrial relations is that of acting as the watch-dog over the relationship between the employer and employees in the work-place. However, the corporate existence of labour union is to allow employees to participate in the determination of policies under which they will consent to work. The principal interest of the employer on the other hand is to maintain control of the organization especially by monitoring allocation of organization’s resources, while that of government is to make sure that there is peace and harmony in the state for organizations to operate.

**Industrial Relations in a Democratic Dispensation**

A democratic dispensation should offer several opportunities for industrial relations to operate. The simple reason is that industrial relations have similar common principles like democracy to thrive in an organization. What is democracy? Despite differences in phraseology, all definitions of democracy reflect three common principles: Mass participation or involvement, freedom of choice, and constitutional or legal equality of all people (Anikpo, 1995). The most popular of the existing definitions explains democracy as “government of the people, by the people and for the people” (Appadorai cited in Nnoli, 2003: 67). Some political scientists also contend that democracy is the search for the greatest good for the greater number of people. Within the ambit of this contention, industrial relations have collective bargaining as its core subject matter for the greatest good for the greater number of employees.

In this sense therefore, industrial relations becomes a management concept when effectively followed; it is for the greatest good for the greatest number of employees (employees) in an organization. From this perspective, industrial relations, as a relationship between the management and labour (union), is to improve the well-being of an organization which hinges on enhancing employees’ performance and productivity. Healthy industrial relations involve management and labour union participation to exercise trust to achieve freedom of choice and
maintenance of labour rights to motivate the employees. Industrial relations bring about a scenario where the management and labour union aspire to improve the well-being of the organization. The workers become fully part of the decision-making process in the organization which will enhance their performance.

**Industrial Relations as a Strategy to Enhance Organizational Performance**

Daft and Bowerman (1998: 7) defined organization as a social entity that is goal directed, and with deliberately structured activity, that has a system with a link to the external environment. In this perspective, “social entity” means that organizations consist of people, the human being as the basic building blocks of organizations, which makes the difference from other types of system. “Goals directed” means that organizations exist for a purpose. They are created to achieve some end. “Deliberately structured activity system” means that organizations are deliberately sub-divided into distinct set of activities. These activities use the knowledge and technology needed to do the work. The “link to the external environment” includes interaction with customers, suppliers, competitors, the government, and other elements of external environment. To make use of human beings as the basic building blocks of organization is through industrial relations (Scott & Marshall, 2005).

The human being as the basic building blocks through industrial relations carries out effective performance that will build the organization. However, organizational performance may be expressed in terms of profitability, delivery of service, growth or volume of development recorded (Opara, 2019). Industrial relations become a strategy to enhance organizational performance. It is a strategy that will examine how an organization treats employees and how employees relate to each other (Oster, 2018). The pattern of industrial relations will influence employee behaviour and maintain the expected workplace culture that will affect organizational performance.

In organizational management, according to Weihrich, Cannice and Koontz (2011), strategy refers to the determination of the mission (or the fundamental purpose) and the basic long-term objectives of an enterprise, followed by the adoption of courses of action and allocation of resources necessary to achieve these aims. Strategy becomes a plan for interacting with the competitive environment to achieve organization goals. Goals define where the organization wants to go, performance is the effort (input) applied, and strategies define how the organization wants to enhance performance and achieve goals (Daft & Bowerman, 1998).

**Industrial Relations Strategies**

Industrial relations strategies require meeting employee(s) needs (Oster, 2018). The management is to use the natural, material and human resources to convert it to strategy to improve the organizational performance. To satisfy their aspiration or redress their grievances, both the employer (management) and employees ordinarily will fashion out strategies. Such strategies involve in part, attempts to control the work relations in which are involved to improve organizational performance and achieve goals.

However, Blanca (2017) and Oster (2018) employed some industrial relations strategies that will enhance organizational performance, thus:
i. **Knowing the Issues** Strategy typically involves a combination of long term goals for labour relations, and short term initiatives to address pressing issues. Human resources and management will always find out workplace issues that are negatively affecting workers. Management must resolve any industrial conflict before it deteriorates. The integrity of the workplace must be protected to improve the workers’ morale.

ii. **Grievance Strategy** Conflicts in workplace normally lead to reduced productivity. Conflicts may occur between employers and employees, and between labour union and management. However, a strategy to solve grievances is to set-up a conflict committee given mandate to find a possible solution to problems.

iii. **Safety Strategy** Organization that has employees must comply with government oversight entities such as the occupational safety, and health insurance scheme and administration. This will provide safety for employees and healthy labour environment. Safety strategy may include constant inspections and briefings, hazards reporting mechanisms and open-door policy for safety concerns.

iv. **Retention Strategy** An organization’s most valued resource is the human factor. Skillful employee(s) will enhance productivity. Organizational management on critical sustainable retention trends such as establishing a strategic plan, involving employees in decision-making process, initiating personalized compensation plan. Installing mechanism to career planning, training and development and building flexible work programmes especially for critical knowledge-employees. These will help to retain core employees that will competitively drive the production wheel in the organizations in Nigeria in this era of globalization (Nwokocha & Iheriohanma, 2012).

v. **Recruitment Strategy** The future of any organization relies on its ability to recruit new members as the organization develops. Today’s recruitment strategies involve the use of social media, internet job sites, provision of chance for the human resource (HR) department to recruit the best qualified candidates for their job placement. Also, organizations use the traditional recruitment strategies that include advertising, job centers and higher school campus visits (Nwokocha & Iheriohanma, 2012).

vi. **Motivation Strategy** Management of organizations (employers) must adjust motivation efforts to meet the needs of the employees. Such motivation strategies involve provision of job social security like effective retirement package, becoming share owners of the organization, having healthcare insurance scheme, enhanced salary allowance payments, etc (Iheriohanma, 2009).

vii. **Showing Values and Beliefs** Organization achieves its cardinal aims/objectives if it can maintain labour (workforce) which shares its core values and beliefs. This involves sharing of information in workplace with new employees and reinforces the support of old employees. The workability of this strategy includes investment on employees’ training and development. This will make employees feel valued and encourage them to remain with the organization. However, for industrial relations to succeed, an organization must provide strategies to operationalize the concept.
How Employers can Promote Industrial Relations in a Democratic Dispensation

Kalode (1999) observed that a democratic dispensation gives the hope that the visioning activity will move past rhetoric into an era of reinforcement via commitment and action. Democratic dispensation offers opportunity for meaningful dialogue, access to the policy making machinery of government, and the real possibility of a collaborative relationship that will make both government and business infinitely more productive in the national interest.

Democracy requires high levels of civic trust because democratic government reviews legitimacy only from the consent of the governed. On this note, the practice of industrial relations relates to the democratic participation. As such, the employers’ association will have to find it wise to give their attention to the whole business, rather than focus narrowly only on matters related to employee welfare. In doing this, Blanc (2017) asserts that employers’ association must constantly study and analyze the components of the general environment of the business. For instance, the economic component of Nigerian environment had proved particularly troublesome. It has been necessary for employers to develop specific expertise in highlighting the economic consequences of our-day-to-day activities.

Kalode (1999) further emphasized that as prominent players in the labour market, employers must constantly keep in close touch with the social and political components of the general environment. Above all, as we witness the impact of national public policy on matters like the management of currency relationships and investment opportunities, employers’ association must engage the government authorities in constructive dialogue to highlight the long term implications of the regulatory component of our environment.

It is also the role of employers’ association to promote the spread of good practice in the area of corporate governance. Associations of employers always have to maintain a fine balance between the interests of several stakeholders. Employers’ associations have a dynamic contribution to make in the very important area of leadership. According to Olugbile (1999), good leadership demands competent management of current situations while ensuring that the needs of the future are perceived and effectively provided for. Change is the order of life in the world of business, and effective change management is a necessary requirement in the activities of employers’ association.

In this connection, employers’ association have to adopt the policy of instituting regular and scheduled reviews of terms and conditions of service for their employees, and this is an example that other substantial employers could profitably emulate. The most significant role that employers’ associations play is the combining of the initiative and efforts of their members into a coherent expression of their overall capacity and potential. Experience has shown that there are many issues to respect of which member organizations, acting on their own, would make no significant impact. However, by entering into joint initiatives, they produce a cohesive force that must be reckoned with.

One incidental but important by-product of joint action is the capacity to promote good ethical performance and behaviour (Kalode, 1999). When employers act together, they find that they are able to build up a competent and convincing presentation that makes it unnecessary to
ask undue preferential treatment from those whose attention they need. By the same token, those who would otherwise demand improper gratification are dissuaded from doing so by the sheer force of the members or organizations involved.

Olaopa (2019) was of the view that, a better contribution to the nation’s economic performance will certainly help to strengthen the stability of the democratic dispensation. As an employers’ association, their next important responsibility is the development of people making people stronger in their efforts to help in building the economy. In Nigeria, the level of productivity in our economy is abysmally low, not for lack of the ability to be more productive, but because we do not manage our human capacity properly.

A democratic dispensation will have the benefit of legislative houses where matters should be comprehensively discussed. This will give us the opportunity of making sure that the real issues are ventilated and imaginary fears are laid to rest. More importantly, the employers should continue to point that, it is people who produce goods and not government. Government’s role is to ensure that the legislative and monitoring machinery is truly enabling, to give people the best platform from which to express their productive capacity.

Finally, as we go into the democratic future, office holders must become more sensitive to their obligation to be accountable for their actions. To help achieve this, the National Employers’ Consultative Association (NECA) in collaboration with the legislature should be canvassing and ought to establish systems for ensuring good accountability among their own ranks and also on the part of employees who they have employed to carry out organization’s activities. We should be more vibrant and humane in responding to industrial relations on the basis of which on-going performances can be assessed.

**Conclusion**

The tripod components (government, employers and employees) are associations of corporate bodies and leading performers in a nation’s (national) economy. The tripod association of leaders must offer leadership in coherent combination of our capacities which will provide the best chances of achieving industrial relations impressive results. To restrain from giving coherent leadership is to waste the prospects conferred upon by a combined strength.

In this democratic dispensation, the management responsibility is clear; the employer must offer the leadership that has a natural role to boost organizations’ performance. The best hope of achieving effective industrial relations is to promote conditions in which it is disadvantageous to do evil. When accountability is institutionalized, it helps the performers to keep to the path of rectitude.

**Recommendations**

- To achieve industrial relations in our democratic future, the paper recommends that organizational management must become more sensitive to their obligation to be accountable for their results.
- Employers, both in public and private sectors, ought to establish systems for ensuring good accountability among their own ranks. This is applicable to the employees.
Workers, as the main building blocks of any organization, should be regarded as the most important resources to be taken care of.

Establishing a healthy relationship within the workplace is the first step as the way forward for healthy industrial relations.

The government should as a matter of responsibility legislate and provide labour policies that will directly and or indirectly make industrial relations become workable in the state.

References


