Industrial Relations Environment in Nigeria: Implications for Managers in Nigeria Workplaces

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Abstract
This paper examines the industrial relations environment in Nigeria and its implications to managers in the Nigerian workplace. It noted some aims of industrial relations as maintenance of industrial peace and creation of congenial environment which enhance increase in organizational productivity. The study observes that peaceful and harmonious industrial relations are vital for organizational productivity and improved national economic development. However, the management-labour relationship is highly influenced by some complex business environmental factors which are mostly outside the control of the parties in the relationship. The paper conclude that the establishment of a good industrial relations depends on the constructive attitude of all the parties involved in the work arrangement to bring about industrial harmony that is necessary to boost employees morale and commitment. It recommended, among others, that management should put in place an effective environmental procedure that is easy for employees to understand and also explore every possible avenue to tackle any challenge in the industrial relations environment which is capable of threatening organizational peace and well being. In addition, organizations should do proper environmental scanning in order to understand how economic, socio-cultural, political, technological, and international environments as well as other factors influences industrial relations, so as to design appropriate control measures to minimize the negative impacts of such environments.

Keywords: Industrial relations, IR environment, industrial harmony, improved productivity.

Introduction

Rapid changes in our broader society particularly in the economic and social life of people, as well as high rate of technological advancement, high wave of globalization, quests for improve product quality and intense competition in the business arena has necessitated that organizations should restructure themselves to adapt to changing business situations in order to compete more effectively, and be able to survive. These changes have influenced the value of workers and have also undermined the traditional relationship between organizations and their employees. To create workplaces that promote goal congruence and industrial harmony, a new set of agreement for improving management–labour relations is highly important.

Today, as employees face some complex challenges which include low wage rate in face of rising inflation, unhealthy working conditions, unfavorable work environment, job insecurity, poor job conditions, high rate of corporate downsizing and contract staff arrangement, among others, a good industrial relations is vital if industrial peace and harmony are to be experienced and sustained in the work place. In addition, for ensuring that the employees are

well motivated and committed to pull in the same direction with the organizations in order to help them achieve set goals and objectives.

The emergence of industries and paid labour who work in the industries and the coming together to speak collectively as a voice in matters concerning workers welfare and better work condition, and to bargain collectively as a voice with the management bring about the setting up of rules that relates to workplace contract and behavior which is what industrial relations is all about. In other words, industrial relations are born out of employment relationship in the industrial setting. Without the existence of the two parties - labour and management, this relationship cannot exist.

Employee-management relationship is therefore, that crucial for long term survival and continued prosperity of any given country (Poole and Warner, 1998: 772). According to Macdonald (1997), economic growth cannot take place without industrial growth. Industrial growth therefore, must be as a result of increase productivity which must result from industrial harmony. In some instances however, there exist different conflicts between management and workers due to poor industrial relations arrangement instituted by management, and these always result to negative consequences both to management and labour. To avert constant management-labour conflicts, good industrial relations must be in place.

Baridam (1995:146) posit that, "the desires of the employees and management are more or less unlimited. Wages can never be as high as workers desire, or profits and salaries as managers might wish. Nevertheless, the money available for distribution between contending claimants is always limited in the short run. Since both parties are interested in surviving, they must show it somehow". This is where a relationship of mutual understanding is essential, as employees and management must interact at the place of work to establish the terms and conditions of employment that must be recognized by both parties, and even the Industrial Relations regulators, so as to drastically reduce industrial conflicts with their attending negative consequences to the larger society. However, irrespective of the general agreement reached by the parties involved in Industrial Relations, the environment influences the practice of industrial relations.

This paper therefore explored the environmental factors influencing Industrial Relations in Nigeria, and the implications for business managers in Nigeria.

Concept of Industrial Relations
The term Industrial Relations encompasses the study of the employment relationship (Poole & Warner, 1998:772). It is essentially collectivist and pluralist in outlook and is concerned with the relationship which arise in and within the workplace (Bach, 2002), and how the relationships are managed. According to Satyendra (2014), it covers the relationship of employees with the management in the organization. Industrial relations thus is concerned with anticipating, addressing and diffusing workplace issues that may interface with an organization's business objectives, and also with resolving disputes between and among labour and management.

Zeb-Obipi (2016) after analyzing different definitions from various authors, defined Industrial Relations as a set of interactions at the workplace medicated upon employment contract and involving work parties and their representatives in job regulation. This definition identifies set of interactions, workplace relations, employment contract, job regulation and work parties as key elements of Industrial Relations. On his own, Macdonald (1997) posits that Industrial Relationships and processes are influenced by the government and its agencies

through policies, laws, institutions and programmes, and by environment-political, social, economic, technological and cultural characteristics.

Fajana (1995) defined it as the totality of orientations, policies, concepts theories, procedures and sound practice of management conflict at work. It also involves a coherent approach to the problem of motivating and controlling employees, of handling grievances and conducting relationship with the labour (Poole, 1986). It is the relationship between trade union and the employers in the industry, and the intervention of government in that relationship (Onasarya, 1999). This view is corroborated by Budd and Bhave (2008) when they assert that it is a whole field of relationship that exist because of the necessary collaboration of men and women in the employment process of modern Industry. It is also the study of the laws, convention and institutions that regulate "the workplace" (Isaac, 2010).

From the various definitions above, industrial relations deal with the relationships between employees and employers within an organizational setting. It is important that this relationship remain a healthy one as the success of the industry and general economic development depends on harmonious industrial relations, which is highly influenced by the actions of the main actors in Industrial relations activities. Based on this, a working definition of Industrial Relations is hereby presented as follows:
Industrial Relations can be defined as a set of workplace relationships that exist between employers and their employees, which is guided by certain agreed-upon rules that affect the ways employers and employees behave and carry out their functions in a workplace. This definition clearly shows that without employers and employees in workplace situation Industrial relations cannot exist.

Aims of Industrial Relations
The main aim of Industrial Relations is to maintain industrial harmony between employers and employees by resolving their conflicts and disputes through established grievance procedures and collective bargaining. It seeks to use peaceful and harmonious relationship to boost workers morale and commitment thereby increase organizations productivity and profits. When management and labour earnestly put in mechanism to ensure achievement of Industrial Relations aims, the interest of labour and management would be safeguarded by the followings: ensuring mutual understanding of all parties, avoidance and reduction of industrial conflicts and strikes, promotion of harmonious relationship among all parties, and enhancement of Industrial democracy in workplace.

Satyendra (2014) identified some objectives of Industrial Relations as:
i. Maintenance of Industrial peace which is essential for achieving the production and financial targets
ii. Creation of a congenial environment so that employees own the production and financial targets.
iii. Efficient production of goods and services through good terms and conditions of employment.
iv. Reduction in level of industrial conflicts
v. Improvement of employees and firms socio-economic status.
vi. Maintenance of Industrial democracy
vii. Employees involvement in organizations decision making.
viii. Provision of social protection at work place.
ix. Establishment of stable and harmonious relationship between the employees, employers, and the organization, and between them and the government authorities.

Industrial Relations Environment
Many factors in an organization influence the Industrial Relation practices in an organization. These factors are: policy procedure, transparency, job security, environment, proper grievance handling, welfare facilities and other benefits. Among these key factors, this paper is concerned with the environmental factors that influence industrial relations practices. A total business environment is the totality of all the factors that influence and impact on an organization. According to Kazmi (2002) the environment of an organization is "the aggregate of all conditions, events, and influences that surround and affect it". He also identifies the characteristics of an environment as: (i) Complexity (ii) Dynamic (iii) Multifaceted, and (iv) Impactful. In addition, he divided the environment into internal and external environments.

As labour and management do not operate in isolation, so does Industrial Relation intertwined with vital environmental issues. In the same manner, the total environment affects the behavior of the business enterprise system and vice-versa (Baridam, 1995:17). Thus, the environment affects every relationship that must exist in the practice of Industrial Relation. It should however be noted that there is a difference between business environment and industrial relations environment. What Kazmi (2002:97), referred to as internal business environment of an organization is the industrial climate in industrial relations. While what he called the external business environment represent the industrial relations environment of any organization.

Industrial Relations environment can thus be defined as all the factors outside the control of management that directly or indirectly affect and influence the practice of Industrial Relations at a given place, and at a particular time. These environmental factors are:

Political/legal Environment: This include factors like political system, type of government, laws and order, government policies relating to specific industries, Acts of parliaments and judicial precedents, among others. Cheneta (2010) assert that "the distribution of power and the ideology of those who are in power may influence the relative strength of workers in dealing with their employers.
By establishing procedural rules which the actors in industrial relations system in the country must adhere to, the laws states the appropriate behavioural pattern that should guide and moderate the management-labour relationship and also prohibits certain behaviors for management and labour represented by labour union. The laws of the country also have some laid down procedures in forms of industrial code of conduct for disciplinary and grievance procedure which the parties in the relationship must follow in order to ensure industrial harmony. Moreover, the legal environment in some countries, an Nigeria in particular, prescribe labour standard procedure, maximum work hour, number of working days, minimum wage scale, and other issues like quota system during recruitment into federal establishments.

Koontz and O'Donnell (1976:86) stated that "Managers are encircled by a complex web of laws, commission and official regulations, and court decisions. Some are designed to make contracts enforceable and to protect the behaviour of managers and their subordinates in business and other enterprises. There is relatively little that is not in some way concerned with and often specifically controlled by a law or regulation".
The industrial relations political environment in Nigeria also operates through its legislative arm by enactment or modification of existing labor relations laws. The government may also decide to do a direct intervention during periods of serious industrial dispute in the country.

Thus government may use direct or indirect intervention to influence industrial relations practices at any particular time.

The use of court in settling some litigations or problems arising between managements and unions also affect the nature of industrial relations. In these circumstances organizations and all the actors tries to weigh their actions against stipulated legal standards, in order not to behave contrary with what the law prescribes.

Economic Environment: This encompasses the very nature of a country's system-monetary and fiscal policies, taxation and investment policies, competitive force in the market place, tariff system, structure of the labour force, standard of living, demand for and supply for skilled and unskilled workforce (Macdonald, 1997; Baridam, 1995).According to Glueck (1980:93) in Ahiakwo (2008) the specific economic variables at work here are the stage of business cycle, monetary and fiscal policies, the value of the local currency relative to others, and the inflationary and deflationary trends. For example, if the value of the currency drops, employees will likely ask for increase in salary or if the fiscal policy put tax burden on labour through higher income tax. And if this continues over a period of time, will result to inability of various organizations to pay salaries. And when companies cannot pay salaries, many workers will be pushed into the unemployment market and this will result to increase in unemployment, low per capita income, much hunger and other social vices.

The intervention of government through her regulating agencies and good economic policies that will stabilize the economy are very much needed to create enabling economic environment that will make all parties abide to agreed terms and condition of service, or lots of conflicts are more likely to arise due to much pressing economic challenges facing organizations and their workers in the society. Currently, majority of the state government in Nigeria have applied for financial bailout from the apex bank. Worst still, is the private indigenous industries that do not have any form of control over the economic environment.

The composition and nature of labour force within the society also influence industrial relations by determining the level of pay or salary of the workers. For example, if there is abundant labour and few job spaces in industries, unions and employees will tent to reduce their demands on the management as excessive demand may result to loss of job. And in a depressed economy like Nigeria, only a handful of workers can risk their job with making excessive demands from management. However, if there is much demand for workers while the number available and ready to work is few, management will readily agree with workers on reasonable demands as not to lose them to other organizations.

However, during periods of economic recession and depression, organizations may decide to lay off some of its workers as well as call for salary renegotiations if they consider it as a viable option in order to survive in such situation.

Technological Environment: This represents the amount and level of technological innovations, mechanization, automation, man-power rationalization and computerization of work procedures. Nwachukwu (2006) noted that the rate of technological changes in the world today has rendered today's skill obsolete for tomorrow's operations. Technology influences industrial relations environment in the following ways:

Skills obsolesce: When technological innovation increases, some workers skills become obsolete as new skills and knowledge are needed to operate the new equipments. This will cause some employees to be skills obsoletes. And due to current competitions and high demand to remain productive, organizations find it very difficult to accommodate employees without the required skills.

Labour substitute versus labour complementary: Technology generally, can both serve as a substitute for labour as it has a lot of advantage over labour, where robots are used in assembly plants, or can complement labour to make their work easier, faster, more accurate and convenient for instance, in Nigerian Banking and electronic industry.

Job creation: Increase in technological advancement also brings about new development in other areas of the economy by generating more employment and service efficiency as can be seen in Nigerian telecommunication, and information technology.

Job structure modification: advanced Technological known how has resulted to modification of job structures with the introduction of virtual offices and virtual workers, a structure that significantly differs from the traditional office space arrangement, and encourages workers to operate even from their homes. Job structure modification also affects the type and nature of goods and services an organization can produce and how they will be made and distributed. Baridam (1995:25) agrees with this view, and advised that "managers should pay special attention to potential scientific and technological development. This is because, if the technologies that affect the general business environment continue to change on a fast lane, the labour force that uses the technology is affected seriously by the technological development".

Uncertainty versus resistance: introduction of new technology in a workplace are received with mixed feelings. While management may see it as a means of readjusting to gain competitive advantage, and increase productivity, employees may feel threatened because of uncertainties associated with the technology, and will tend to resist it introduction or full utilization through operations sabotage, withdrawal of efforts and commitment. As a result, serious conflicts between labour and management may ensure, and both parties stand to lose eventually. However, educating the employees about the need and expected gain of new technology to them and the organization, as well as training them to adopt the new technology will enhance fast acceptance of new technology by employees thereby, helps the organizations to compete favourable in the market place, as well as keeping a united motivated workforce.

Socio-cultural Environment: This environment constitutes the structure of a society and play important role in the practice of Industrial Relations in a given place. It includes the population distribution, religion, customs and tradition of people, ethnic group, and the culture of the various groups of people, among others. This environment impacts the nature of Industrial Relations practice in any given country. In Nigerian society with different languages, tribes, religions and varied customs and culture, family and relatives hold an important role in the life of individuals; as a result, helping one's family and friends will be considered a normal gesture. There is also the challenge of whether to follow laid-down organizational procedures when dealing with relatives and close acquaintances. Most often, people with little skills, qualifications, competencies and abilities are promoted above their superiors to positions where they do not have anything to offer. Most often when this happens, a feeling of unfairness is developed, and sometime, some employees may question a manager's intention for such actions, and this may fuel disputes in the organization.

Fashoyin (1980:10) has succinctly noted that tribal and ethnic biases have penetrated labour-management relationships, particularly in the context of discrimination in employment and handling labour-management disputes. In some cases these organizational disputes become personal with charges of tribal and ethnicity flowing both ways from management and labour. When these happen, labour-management relationship becomes negatively affected and organizational productivity goes down. Ottih (2003:64) maintains that in Nigeria, obvious

differences exist in the culture and traditions, habits and belief toward work and life differs. Differences also exist in the educational level of people, awareness and consciousness of rights, work ethics of members of the society, among others; and so, managers should be aware of these differences in order to strike a fair balance of what is reasonably expected of an individual based on the prevailing culture, so that the right individuals are placed in the right task, so as to avoid situations of putting of 'square pegs in round holes'.

Of great importance is the social setting in the work place. Workers always come to work expecting a father and son type of relationship, expecting love, care, guidance and other social and work support from the manager who is seen as a father in the workplace. However, the influx of foreign managers into Nigeria, brought about by presence of multinational corporations and order private business investors has added a new dimension of challenge to the management-labour relationship. The reactions of some foreign managers with different social orientations do not fit the workers expectations. The expatriate managers are often ignorance of these cultural expectations of the Nigerian workers and become insensitive, perhaps unconscious to their needs and aspirations Fashoyin (1980:3). According to Fashoyin, some local managers sees their subordinates as inferior, not ready to work, and people who must follow every order given to him. Interestingly, the way Nigerian worker sees himself is different from the way he is seen by the manager.

The manager's recognition of the workers expectations, needs and perception of themselves will help him to create a lively and harmonious relationship between the both parties or he will continue to struggle to maintain a healthy and harmonious workplace relationship between the management and labour.

Industrial Environment: This environment includes factors like organizations vision and mission, creed, workers attitude towards work within the industries. This environment also involves the level and intensity of competitions among firms in industry. Organizations in the same industry like to imitate what other organizations in the same industry are doing. Organizations the fails to relate to her employees in the ways others do, are categorize by the workers as insensitive to the plights and welfare of the workers. Managers should however, ensure that what the imitate must be what will add good values not only to the employees, but to the productivity and general wellbeing of the organization.

International Environment: This refers to the influence of globalization on business enterprises. It consists of all factors that operate at the transnational, cross-cultural, and across-the boarder level which have an impact on the business of an organization (Kazmi, 2002).

The world today is generally referred to as a global village. Discovery, invention or even crises in one part of the world can bring about a negative or positive outcome the next minute in another part of the world. Globalization has eroded former rigid cultural and national boundaries and shrinks the world into a global village. Due to globalization, managers and employees in Nigerian workplace now know what is happening in other countries. Managers now have information of cheap source of labour and can even recruit employee from other countries without much hassle.

Investors can decide to establish operations across their national boundaries in order to exploit opportunities in foreign countries. When this happen, some foreign managers from the company's home country who has different industrial relations experience based on their home countries may find it difficult to carry out their personnel function appropriately thereby giving rooms for unnecessary confrontations between the labour and management.

The role of foreign investors is continually having a serious impact on the industrial relations system in Nigeria. In fact, the governments both at federal and state level are carrying out serious campaign to attract foreign investors to their respective constituencies. And as these investors come around, they may not take into cognizance, the social, cultural and traditional concerns and established pattern operating in the society. Fashoyin (1980:12) contends that public labour policy needs to reflect or take into account the influx of foreign managers whose industrial relations experience has been influenced by different cultural pattern as failure go recognized these difference in the social setting of the industry could cause difficult labour relation problems.

Implications of Industrial Relations Environment for Managers in Nigeria
Maintaining peaceful and harmonious industrial relations is a challenge facing every manager in Nigeria today. The implications of the various industrial relations environment to managers are:
Difficulty of realistic prediction of workers and union behavior: The complex business environment in Nigeria today makes it unrealistic to predict, with any degree of certainty, how the employees are likely to behave in the workplace in the next twenty four hours. Due to environmental factors influence on industrial relations practices, managers should brace themselves for the difficulty of maintaining industrial harmony in workplace in order to motivate employees to give their best to ensure maximum profitability for their organization. Due to the difficulty of maintaining a stable industrial harmony between management and employees, managers in Nigeria workplace have difficulty of balancing demands for productivity and equity at work.

Since a major fundamental problem in organizations is developing and maintaining a harmonious relationship, management-labour relations must be at it "best" at all time. Industrial relations practices therefore demand high analytical/interpretative and social skills of managers. To successfully ensure this depend on the skills and insight with which the manager can interpret the industrial relations environments in which the organization operates. He must therefore understand the dynamics of the environment and know fully well how to apply his experience and knowledge at every point in time when handling any IR issue with the unions. In that case, the personality of the manager and his ability to influence the employees are great asset if he must succeed in creating or maintenance of a harmonious relationship. When this ability or competence is lacking, management and labour always experience conflict over every little issue.

In addition, industrial relations in Nigeria place demand on policy flexibility and accommodation. Since these environments are not stable, but continue to change at a fast pace, mechanism for policy flexibility to meet the need of changing industrial relations trend need to be in place to accommodate emerging industrial relations issues so that harmony will encourage high productivity for the organization.

Conclusion
The establishment of good industrial relations depends on the constructive attitude of all the parties involve in a work arrangement to bring about industrial harmony. It is certain that a harmonious and constructive management employee relationship in any industry is indispensable if the organization must survive and achieve its business objectives.
A healthy labour –management relations is vital in creating and improving the economic conditions of organizations and their employee. Therefore, organizations' industrial relations arrangements must be made to provide and accommodate stability in relations between

mangers and workers to help boost morale in order to increase organizations productivity. Constant reviews or follow up of results of an organizations industrial relations programme is highly vital for maintenance of a peaceful and stable management-labour relationship.

In addition good industrial relations encourage acceptance of planned change in operation and production procedures, a situation the employees are most likely to resist and kick against when there is no harmony between them and management. Furthermore, effective industrial relations is a basis for improve productivity and higher profits.

Recommendations

Given the Nigerian circumstances, the industrial/human resources manager should be a man of versatile academic experience with a good understanding of the Nigerian legal, social and economic background in order to know what is expected of him and how his subordinates are likely to react about any issue at any particular time.

Management should put in place an effective grievance procedure that is simple and easy to understand. Organizations should also structure their industrial/personnel relations units to be flexible, responsive, and proactive and time conscious when dealing with issues that concern employees workplace and well-being as these are vital for peaceful harmonious industrial relations.

In addition organizations should do proper environmental scanning in order to under-stand the factors impacting on it negatively, so as to design control measures to minimize the negative impacts of such environments to ensure that available opportunities are well utilized. In addition, management should explore every possible avenue to resolve any industrial conflict.

Management should also educate the employees on the needs and expected gains of new technology and policies, and how it will benefit them and the organization, as well as train them to adopt and use any new technology. This is because, if the introduction of new technology and methods that are aimed at enhancing work process and improve individual and organizational productivity are not well anticipated and prepared for, the employees will be likely to resist the planned change because of fear of the unknown and uncertainties associated with the new technology in the workplace.

Government on their part should ensure that her economic policies are geared toward development of a good industrial climate and environment that encourages industrial harmony, and which will also boost organizational and national development.

Workers should strive to use collective means to address any situation that may arise out of their employment contract with management, and should also be ready to accept changes that may arise in the workplace due to need for innovation and improve product quality. Workers should therefore develop themselves to acquire more relevant skills and competencies in order to avoid becoming skill obsolete and possible redundancy in order to remain relevant in existing and emerging industrial relations trends and issues.

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