



## ORGANIZATION EFFECTIVENESS: BEYOND WORKERS' RIGHTS AND MANAGEMENT PREROGATIVES

**CHRIS OBISI**

*Department of Industrial Relations and Personnel Management, Faculty of Business Administration,  
University of Lagos, Nigeria*

**REMI SAMUEL**

*Department of Industrial Relations and Personnel Management, Faculty of Business Administration,  
University of Lagos, Nigeria*

**ELEGBEDE SIKIRULAH T**

*Department of Industrial Relations and Personnel Management, Faculty of Business Administration,  
University of Lagos, Nigeria*

---

### ABSTRACT

*The Concept of Workers Rights and Management prerogatives would continue to remain in the front burner until serious and equitable attention is paid to it by all the actors in industrial relations. This paper, appraised workers rights in Nigerian organizations post 1999 and argues that the emphasis have not changed, strongly written down workers rights but low on implementation. The paper also observes that the Euphoria and passion that workers argue strongly for their rights and management prerogatives should also reflect in their commitment towards their duties, functions and job performance if organization effectiveness would be achieved.*

---

**Keywords:** Organization effectiveness, Workers' rights, Management prerogatives, Contract of employment, Commitment

### INTRODUCTION

Union rights and management prerogatives is an issue of continuing interests and forceful debate in various organizations around the world. Organizations would love to avoid it but it continues to re-echo because of its sensitive nature. If you ask management whether there is anything like management prerogative, they would readily agree. However some trade union organizations would admit that there was but today management prerogative is a dying concept and sooner it dies the better because it is widely regarded as a stumbling block towards peaceful industrial relations.

We suggest for the interest of all round growth and development, there should be no too much be labour about unions rights and management prerogatives instead the concept of ‘partners in progress’ should be glorified.

### **Objectives of the Paper**

1. To re-emphasize that management and workers are too preoccupied with their rights and prerogatives rather than working as partners in progress
2. To encourage management and workers to take their duties and responsibilities and functions seriously to achieve both individuals and organizational goals
3. To indict the actors in industrial relations as they have failed rather miserably in ensuring industrial harmony.
4. To underscore the role of effective communication in labour- management relations.

### **THEORETICAL FRAMEWORK**

What are the Union Rights: (Fashoyin, 1980) writes that union rights pertain to actions both management and labour take responsibility jointly or otherwise. Such issues or actions relate to wages, grievance procedure, discipline and safety. All the issues in the contract of labour agreement is said to concern employee rights. However other issues such as recruitment, training, promotion, wages and salary administration, Christmas bonuses, scholarship schemes, permission for union officials to be absent from work and so forth, are not as such union rights but privileges. Unions can however be consulted.

Prerogative is a right or a peculiar privilege shared with no other persons. It is a right one has due to the person's position or nature. Management prerogatives are those rights and privileges which management believes is only for them and unions should not venture into those areas. Management also believes that these prerogatives are non-negotiable and are therefore not subject to collective bargaining. It would be proper to point out that there is generally no accepted explanation as to which right should not come under collective bargaining exercise. Management is always worried that unions are interfering in their prerogative areas. On the other hand, workers demand that as they sweat for the organization and at times die in the service of the organization it is proper for them to be involved in any area which affects its members no matter which area it is or comes from.

Cohen (1974) writes that in many cases it appeared that to consult workers would affect in an adverse manner, the presumptive sanctity of management's authority and prerogative, that such a practice would undermine discipline if management plans for improvement should be subject to criticism by the subordinates. This kind of thinking should be avoided it has the attitude of master and servant which began the origin of industrial conflict.

Seig (1928) maintains that since the dawn of industrial revolution, labour movement in any form is a campaign against the absolute rights of private property, the extent to which the institutions of private property are entrenched in the community in which a labour movement operates is of overwhelming importance to it.

Labour's opposition to management absolute prerogative has historical explanation. It however seems that both parties have blown these things out of proportion. Fashoyin (1980) asserts that neither the employers nor labour has looked at these issues realistically in terms of their interpretation regarding rights and prerogatives. In Nigeria, there has been instances of flexing muscles regarding management prerogatives and union rights regarding hiring and firing of employees. A fine case in point is the industrial relations debacle between UBA management and both the senior and junior staff unions. It was a clear show of naked arrogance in sticking to what we believe is our prerogative and right.

Aire (1970) gave instances where employers have often determined wages and other conditions of employment unilaterally. Aire also cited instances where workers have quite frequently demanded the removal of management officials, sometimes for ant-union activities and sometimes when union people feel that the particular official is their enemy. According to Fashoyin, contemporary management views have become more liberal but seem to suggest that there is now more emphasis on the relative bargaining power in determining the subjects that are bargainable and those that are not.

Okogwu (1985) writes that some industrial relations practitioners have observed that the proneness of certain undertakings to trade disputes could be traced to their pathological belief in management prerogative. But according to him, the existing procedural agreements between industrial-unions and industrial employers' association in Nigeria contain, as a condition for such agreements, a management rights clause which also gives union its own rights to approach management in protecting the interests of its members. Such clause reads thus: "it is agreed that the union (of employers) the sole right to conduct their business in such manner as they think fit and to engage, promote, transfer and terminate the services of any employee. Nevertheless, it is recognized that union has the usual right to approach management in order to protect its members against victimization or other forms of arbitrary treatment". A clause like this is loaded and could be misinterpreted. Certain organizations could use it as a licence to show unmitigated arrogance that the workers union did sign such cause. According to Okogwu, Nigerian Trade Union Laws have recognized certain management prerogatives. A case in point the Income policy Guidelines 1985 which provides, inter alia, that all festival or end- of – year bonus payments not be subject to negotiation. The following are the issue under Management prerogatives. They are divided into two. The first part are said to be negotiable. We would want to point out that in certain countries like Japan Management prerogative is not controversial issue because Japanese labour supports automation and technology due to interdependence between workers and management because they

always put their workers first before any other thing. Workers are not suspicious of their management. This mutual trust and respect has become the bedrock and touchstone of Japanese Management.

So when various organization around the world are bogged down with what is a management prerogative, what is a union right, which item is negotiable and which one is non-negotiable, Japanese organizations are busy exploring, designing and implementing worker empowerment programme. Even recently in Italy, workers union in one large manufacturing firm prevailed upon their management to set up a new branch in the Southern part of Italy instead of in the North where Management had planned to set up the new branch.

This shows a high level of sophistication on the part of management.

In certain countries, it would have amounted to workers interfering in the management prerogative.

### **Negotiable Items under Management Prerogatives**

1. Engagement of workers.
2. Promotion.
3. Dismissals and Termination.
4. Wages and Salaries.
5. Order and Discipline.
6. Hours of work.
7. Organization of work.
8. Size of the workforce
9. No work, No pay.
10. Social Security e.g. pension, provident fund.

### **Non -Negotiable Items under Management Prerogatives**

1. The location of business, the establishment of new units and the re-allocation or the closing of existing units.
2. Decisions in regard to the products to be made or sold or services to be rendered to customers.
3. Decisions as to the machinery to be used, the lay out, processes, techniques or methods of manufacture and distribution or materials, to be used and the size and character of stocks.
4. The determination of financial policies, the price of goods made and sold or services rendered.
5. Assignment of work to employees.
6. Determination of standards in quality or workmanship.
7. Control and use of company property.
8. Ex- gratia payments.
9. Confidential records.

## Your Rights and Duties as a Worker

<b>Rights</b>	<b>Duties to the Employer</b>
<ul style="list-style-type: none"> <li>• Right to written particulars stating the terms and condition of your employment</li> </ul>	<ul style="list-style-type: none"> <li>• To present yourself, ready able and willing to do the work you have contracted to do.</li> </ul>
<ul style="list-style-type: none"> <li>• Right to be represented by the union or other forms of workers' representation to protect your interest.</li> </ul>	<ul style="list-style-type: none"> <li>• To obey every lawful order with the order scope of your duties provided the order is not illegal. Disobedience could be a ground for disciplinary action</li> </ul>
<ul style="list-style-type: none"> <li>• Remuneration for work done or services rendered in accordance with the contract of employment.</li> </ul>	<ul style="list-style-type: none"> <li>• To use due care and skill commensurate with the standard you claim to possess.</li> </ul>
<ul style="list-style-type: none"> <li>• Equal access to workplace opportunities without discrimination on the basis of race, sex religion, or political belief.</li> </ul>	<ul style="list-style-type: none"> <li>• To be faithful and honest to your employer.</li> </ul>
<ul style="list-style-type: none"> <li>• Right to a safe and hygienic working environment.</li> </ul>	<ul style="list-style-type: none"> <li>• Not to disclose trade secrets or other information acquired in confidence while in the service of your employer.</li> </ul>
<ul style="list-style-type: none"> <li>• Right to rest periods (break) as determined at the discretion of the enterprise.</li> </ul>	<ul style="list-style-type: none"> <li>• Not to engage directly or indirectly in anything that will conflict with the business of your employer</li> </ul>
<ul style="list-style-type: none"> <li>• Right to holiday with pay (annual leave).</li> </ul>	<ul style="list-style-type: none"> <li>• Not to disclose trade secrets or other information acquired in confidence while in the service of your employer</li> </ul>
<ul style="list-style-type: none"> <li>• Right to leave with pay including the right to paid maternity leave in accordance with the contract of employment, and any existing law.</li> </ul>	<ul style="list-style-type: none"> <li>• To safeguard the company's assets in your possession.</li> </ul>
<ul style="list-style-type: none"> <li>• Right to redundancy pay.</li> </ul>	<ul style="list-style-type: none"> <li>• To co-operate with the employer to realize the goals of the organization.</li> </ul>
<ul style="list-style-type: none"> <li>• Right to compensation for injury sustained by accident arising out of and in the course of employment.</li> </ul>	<ul style="list-style-type: none"> <li>• To work entirely for the employer during working hours. Any activity undertaken by the employee in his spare time should not conflict with the employer's business.</li> </ul>
<ul style="list-style-type: none"> <li>• The right to contract out of the union.</li> </ul>	
<ul style="list-style-type: none"> <li>• Right to be sufficiently trained to work on any machine or in any process where such machine or process is liable to cause bodily injury.</li> </ul>	

## The Rights and Duties of the Employer

<b>Rights</b>	<b>Duties to the employees</b>
<ul style="list-style-type: none"> <li>• Rights to employ workers based on the needs of the organization.</li> </ul>	<ul style="list-style-type: none"> <li>• To provide employees with written particulars of their terms and conditions of employment.</li> </ul>
<ul style="list-style-type: none"> <li>• Right to manage, control direct, reward and utilize the human resource in such a way as to achieve the objectives of the enterprise.</li> </ul>	<ul style="list-style-type: none"> <li>• To pay salaries and remuneration in accordance with the contract.</li> </ul>

<ul style="list-style-type: none"> <li>• Right to maintain order and discipline in the workplace in accordance with laid down rules and procedures.</li> </ul>	<ul style="list-style-type: none"> <li>• To provide work where job performance is of the essence of the contract.</li> </ul>
<ul style="list-style-type: none"> <li>• Right to determine job classification and modify the contents relating to each salary group.</li> </ul>	<ul style="list-style-type: none"> <li>• To provide safe, healthy and conducive working environment, including provision of safety devices where necessary.</li> </ul>
<ul style="list-style-type: none"> <li>• Right to direct workers to work overtime, to change shift, to work on rest days and generally organize work activities in such a way as to achieve the objectives of the organization.</li> </ul>	<ul style="list-style-type: none"> <li>• To supply proper tools and machinery for the employees to perform their duties.</li> </ul>
<ul style="list-style-type: none"> <li>• Right to exclude managerial supervisory and confidential staff from belonging to the union.</li> </ul>	<ul style="list-style-type: none"> <li>• Not to employ any person to work on any machine or any process likely to cause bodily injury without sufficiently training him/her for that purpose.</li> </ul>
<ul style="list-style-type: none"> <li>• Right to introduce technical improvements and determine the machine layout, process techniques or methods of production.</li> </ul>	<ul style="list-style-type: none"> <li>• To provide suitable protective clothing's and appliance such-as gloves, goggles, footwear, head cover, etc, where, the worker will be exposed to injuries or offensive substances.</li> </ul>
<ul style="list-style-type: none"> <li>• Right to modify, extend, curtail or cease operations; and determine the number of employee required.</li> </ul>	<ul style="list-style-type: none"> <li>• To compensate the employee for injuries sustained by accident arising out of and in the cause of his/her employment.</li> </ul>
<ul style="list-style-type: none"> <li>• Right to determine financial policies, including the price of goods made or services rendered.</li> </ul>	<ul style="list-style-type: none"> <li>• To attend to all complaints and grievance from the workforce in accordance with the grievance procedure.</li> </ul>
<ul style="list-style-type: none"> <li>• Right to decide at its sole discretion, all matters connected with the company's business.</li> </ul>	<ul style="list-style-type: none"> <li>• To manage the enterprise in an efficient and profitable manner to guarantee the continuous employment of the employees.</li> </ul>

Source: NECA (2004) *Workers and Union rights, NECA Bulletin in Lagos*

### Contract of Employment

As individuals enter into a contract with organizations, it would be very important for the parties involved to open their eyes and minds to know what they are signing. Following your heart in any contract may be suicidal. Once you are not sure of any contract you want to enter into, seek help. [Atiomo \(2000\)](#) argues that a contract is an agreement enforceable by law. The essential feature is a promise by one party to another to do or forbear from doing certain special acts. [Armstrong \(1995\)](#) explains that individual contracts of employment must satisfy the provisions of contracts of employment legislation. As he puts it, contracts of employment include a statement of the capacity in which the person is employed and the name of the job including details of pay, allowances, hours, holidays, leave and pension arrangements and refer to relevant company policies, procedures and rules.

### Organizational Culture

Organizational culture is the way organizational life is carried on in an organization. It is the way organizations live their lives and get things done.

Organizational culture can go a long way in enhancing the survival; expansion and growth of an organization but it also hinders it if the culture prevalent in an organization is not dynamic and responds to change. The way organizations do things in their organizations is also known as organizational culture. Their beliefs, norms, attitudes, their uniforms, company songs, etc. can form part of their culture. Coming early or late to work, gossiping or grapevine, loyalty, integrity, dignity of labour, customer focused, corruption, man-know man, hypocrisy, sycophancy, tribalism, nepotism, god-fearing, spiritual education of workers, pull him or her down, hard work, etc. would form part of an organizations culture. The kind of culture prevalent in an organization can stand them in good or bad books of customers. Good culture sells itself because that is what your organization is known for. At times when we describe real life experiences in some Nigerian organizations, our audience would begin to call names of companies and their owners like Lebanese, Japanese, Indian, Chinese and Johnson enterprises, Modupe Holdings, etc. What they are actually telling us is the culture of such companies. Culture could be positive or negative, dynamic or static.

### **Components of Organizational Culture**

What constitute an organizations culture? What makes up an organizations culture? Culture is about what organizations do and how they do it. Also includes what organizations do and how they do it. Also includes what organizations wear, eat and drink etc, both tangibles and intangibles.

The following are the components of organizational culture:

- **Management style and attitudes.** If management adopt skin shaving dictatorial style or participative approach these will go a long way to constitute the culture of the organizations. In many organizations in Nigeria, you hear workers say good or bad things about their management. Whatever they say about their management whether good or bad is part of the culture of the organization. We suggest that management should adopt democratic, participative and competitive style in managing their organizations.
- **Values** – Values are what organization cherish and deeply believe in, they make it known to the world, spread it, advertise it and glorify them particularly when they are positive and also go about doing it.

The following are examples of organizational values

- Taking care of both internal and external facilities
- Provision of amenities and facilities
- Profit driven
- Quality driven
- Dignity of Labour
- Social Responsibility
- Competition
- Fairness
- Team-spirit and teamwork

- Employee focused
- Production focused
- Care for minorities
- Gender sensitive
- Faith
- Spiritual minded etc.
- Norms

Every organization should develop and sustain positive culture to enable it achieves its goals.

Kolade (1999) suggest that every organization would need to develop a culture that demonstrates concern for the personal needs of their people, by;

- Openly and regularly sharing important information with employees
- Creating and clarifying positive and challenging roles for people at work.
- Encouraging true employee participation in the control of work.
- Investing substantially in the development of people.
- Emphasizing fairness and ethics in the award of recognition for the employee's contribution.
- Generally treating the individual employee with respect and dignity. According to him, the above raised issues if properly put in place, the employee is likely to find the work environment stimulating, and to make personal progress, which is a key factor in the achievement of job satisfaction.

## **Commitment**

Commitment on the part of the individuals that work with the organization and the commitment of the organization should never be toyed with if the survival, expansion and growth of the organization could be assured. Many workers would tell you that they are committed. Many organizations would also tell you that they are also committed but when you look closely in these organizations glorifying commitment, you would be shocked to find out that the three keys elements of commitment, which are loyalty, involvement and attachment are lacking. Many Nigerian workers may quickly tell you that their organizations do not care and respect them and therefore such organizations should not expect commitment from their employees. It is possible to achieve high productivity where there is high commitment.

### ***Factors that contribute to the development of commitment***

- Dignity of labour
- Opportunity for growth
- Involvement.
- Empowerment.
- Education
- Training and development
- Introducing the concept of parental management
- Effective communication process



- Conflict resolution mechanism.
- Making the workforce have sense of ownership
- Having interest in the job
- Having job significance
- Effective and efficient reward processes.
- Continuous performance management strategy

### **Hindrances in the Way of Commitment**

- Robbing Peter to pay Paul
- Step motherly and step-fatherly treatment
- Other personal influences
- Corruption
- Low incentives
- Low morale
- Lack of training and development strategy.
- Poor communication
- Lack of opportunity for growth
- Lack of empowerment and involvement
- Poor facilities and general hostile environment
- Family problems etc.

### **Discipline and Disciplinary Action**

Discipline is essential for the smooth running of an organization and for the maintenance of industrial peace which is the foundation of industrial democracy. Without discipline, no enterprise would prosper. Some of us are disciplined today not because we choose to but because we are afraid that if we are not disciplined, some kind of punishment would come to us. So it is out of fear that we remain disciplined. Some people obey the law just because they know that disobeying it would bring sanctions. Some lazy workers are working hard not willingly but just to avoid being sanctioned. Nigerian organizations are lagging behind because of indiscipline. Talk to an average Nigerian worker why he or she is doing what he or she is doing and the ready answer would be that my boss is doing the same. If our leaders and managers are undisciplined, we should not remain indiscipline like them. Reading Bible during work hours, school running and Friday call for prayers are being abused by workers.

### **Principle for Maintaining Discipline**

1. Trade unions should be consulted in all issues.
2. Constant checking and re-checking of rules and regulations
3. There should be no discrimination in enforcing rules and regulation
4. Preventive measures should be encouraged.
5. Proper communication is essential

6. Conflict resolution machinery should be effective

### **Causes of Indiscipline**

1. A wrong man on the wrong job.
2. Favoritism, Godfatherism and other personal influences.
3. Absence of genuine communication.
4. Lack of lead or leadership
5. Awkward supervisors and managers.
6. Absence of clarity of rules and procedure
7. Organizational dichotomy.
8. Family problems
9. Acts of omission and commission
10. Bad and unsafe working condition
11. Low morale and absence of motivation
12. Bad habits
13. Low level of education of workers
14. Absence of delegation of responsibility and authority.
15. Management negative attitude

### **Decent Work Agenda**

Labour exploitation is pervasive in many organizations in Nigeria. It rears its ugly heads in one form or the other, either in poor salary, wages and salary arrears, no training, no promotion, no motivation, no sense of belonging, no job satisfaction and dehumanization of work and the worker and above all casualisation. Casualisation is the employment of an individual for a short period of time but this definition would not fit in well in Nigeria environment we could therefore say that casualisation is the offering of employment on temporary basis with renewal or no renewal without the individual being on the permanent staff record of the company and without full employment benefits to the said individual. The objectives of this definition are to paint clearer picture of Nigeria organizations.

### **Industrial Democracy and Workers Participation in Management**

If industrial democracy and worker's participation in management would not remain a distant dream, the following conditions must take root in the society.

1. The committees and Councils set up in various organizations must be to improving the living standards in their organisations, create a real sense of participation and encourage both labour and management to offer useful suggestions.
2. It is imperative that the organisations culture is such that labour was no longer an item to be purchased according to the law of demand and supply. This idea necessitates employee centered approach rather than just production centered.

3. Labour must be trained, developed and active and in turn contribute to the productivity of the organisation.
4. The provision of material and proper social environment with the recognition of the employee human rights. A conducive social and material environment would reactivate and revive dormant minds which would destroy awkward tendencies.
5. It is also necessary for the parties to adequately understand the concept of worker's participation in Management.
6. Inter and intra – union rivalries should stop.
7. Both parties must believe in the concept. Complacency attitude, cynicism and pessimism would not work.
8. Positive organizational work culture full of loyalties, and commitment would do the trick.

### **Advantages and Risks Involved in Industrial Democracy and Worker's Participation in Management**

In any Organization that has embraced the concept of worker's participation in Management; the following benefits would accrue to it.

1. Less employee turn-over.
2. Less absenteeism among the workforce.
3. It would improve team spirit, team work, sense of belonging and co-operation.
4. It would reduce tension, grievances and strikes.
5. It improves and enhances the image of the organization.

### **Social Security**

An important area of our law our Laws which deserves urgent attention is the area of pensions and gratuities for most workers of this country, as pension remains the only hope of a worker for financial security at old age. Moreover, the ravages of inflation and their impact on pensions should be considered as a matter of long range planning of pensioners if they are not to be subjected to untold hardship and misery at old age. Anybody who is suffering and smiling needs social security urgently.

### **Communication**

Communication is the lifeline of every organization. It is the lubricant of the organization. To properly communicate is to primarily succeed. Any organization, which fails to communicate properly, must be prepared to face the consequences. In any enterprise where communication is muddled and ineffective there tends to be a breakdown in the realization of objective. If we cannot communicate, we may not succeed. Management and workers must utilize effective channels of communication to win competitive advantage and resolve problems.

## **CONCLUDING REMARKS**

Management and workers should de-emphasize prerogatives and rights and concentrate more on mutual interest which explains that interdependence is an opportunity as well as challenge for both management and workers and that they need each other. Organization is a means and the worker is also a means because the needs of the organization can be realized through the cooperation of the worker while the needs of the individual can also be achieved through the support and cooperation of the organization.

## **REFERENCES**

- Aire, J., 1970. Emerging patterns and state in industrial relations in nigeria in perman. 7(1): 20.
- Armstrong, 1995. A handbook of personnel management. London: Kogan Page.
- Atiomo, A.C., 2000. Human resource management. Lagos: Malthouse Management Series.
- Cohen, R., 1974. Labour and politics in nigeria. London: Heinemann.
- Fashoyin, T., 1980. Industrial relations in nigeria. London: Longman
- Kolade, 1999. Human resource management environment in nigeria in the new millenium. Paper presented at a Workshop on Re-invigorating our Corporate Practices in the New Millenium HRDB UNILAG.
- Okogwu, G.C., 1985. The role of neca in industrial relations in nigeria.
- Seig, P., 1928. Industrial relations theory and controversies. Malthouse Press Lagos.

## **BIBLIOGRAPHY**

- Obisi Chris., 2005. Substance of employee, industrial and labour relations. Megavons West Africa Lagos. .
- Obisi, C., 2003. Organizational behaviour concepts and applications. Malthouse Press: Lagos.