

## UNION MEMBERSHIP ALIENATION AND INDUSTRIAL HARMONY IN NIGERIA

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### **ABSTRACT**

*This paper is a discourse on the impact of union membership alienation on industrial harmony in the Nigerian Industrial Relations setting. With the aid of a historical/ analytical approach, the paper traced and viewed the emergence of labor organizations as the justification to balance the one-sided determination of price and conditions of labor and the relation of the state to industrial action. This led to the emergence of the three principal actors (employers and their representative organizations, workers and their representative organizations, and the State). The paper noted that the clamor for the emergence of labor organizations or worker collectivities was to ensure that workers have a say in the determination of the conditions under which they work. It was noted that the models and concepts relating to workers participation in decision making, decision making models and worker alienation thesis addressed only the inter group aspect of workplace decision making, with little or no emphasis on intra group (intra Union) or membership participation in decision making and the gamut of issues relating to intra union decision making and intra union membership alienation. Reviewing the structural dimension of the effect of union membership alienation which led to industrial adversarialism, the paper concludes with a recommendation that the worker participation models, and the decision-making models based on bounded rationality be adopted within the union membership structure so as to minimize industrial adversarialism in Nigeria.*

**KEYWORDS:** *Workers Participation, Decision Making, Workers Alienation, Industrial Harmony, Industrial Adversarialism*

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### **INTRODUCTION**

Industrial Relations as a discipline emerged as a reaction to the increasing challenges that were in place when employment relations were managed by the application of free market economic forces of the demand and supply of commodities. The orthodox, classical and neo-classical commoditization of labor were seen to have led to an unbalanced free trade labour market model which in turn contributed to the labour problems experienced during the era of increasing industrialization in Europe and America. Kaufman (2004a) pointed out that as early as 1886 and 1887, Ely and Adams emphasized on the justification for the emergence of labor organizations to balance the one-sided determination of price and conditions of labour and the relation of the state to industrial action.

The clamor for the emergence of labor organizations or worker collectivities was to ensure that workers have a say in the determination of the conditions under which they work. This, as supported in the works of Kaufman (2004), is in tandem with the works of Dunlop (1958) who saw Industrial Relations as the study of the rules of the workplace; Flanders (1965) with his emphasis on job regulation; Cox (1971) with his social regulation of production thesis; Budd (2004) and

his advancement of equity, efficiency and voice in the employment relationship; and Eberwein et al (2002) with their representation and political regulation of different interests position. These works led to the enrichment of the literature on the various ways through which workers have a say in the determination of their terms and conditions of work at the workplace.

One of the basic criticisms of classical management theory, particularly Taylorism is that he divided a job into the “thinking” and the “doing”, allocating the thinking aspect to Management and the doing aspect to workers due to deficiency in the technical or discretionary “knowhow” on the job. This is because of decision-making in itself requires the necessary knowledge or knowhow. The point being made here is that it may be necessary for workers to be interested in participating in decisions relating to their employment conditions, but it may not be sufficient because they may be deficient in the principles of decision-making.

The purpose of this paper is to use the knowledge derived from the concepts and models relating to workers participation in decision making, decision making models, workers alienation models to review the extent to which union members in Nigeria are alienated from intra union decision making and the aftermath of this in the achievement of industrial harmony and/or indeed, industrial adversarialism.

To enrich this paper, this paper shall discuss the various ways by which workers participate in decision-making (have a say) at the workplace. This paper shall also discuss the decision-making models before anchoring our discourse on the alienation of union members from intra union decision making and which may likely lead to either industrial adversarialism or harmony.

### **Workers Participation in Decision Making**

Workers participation in decision-making has been defined in various ways. The European Economic Community sees it as the various ways by which employed persons influence the decisions of the enterprises for which they work.

A 1978 British white paper on industrial democracy sees it as the means by which employees at every level may have real share in the decisions within their company and therefore a share in the responsibility for making it a success.

Johnston (1983) sees the above-mentioned definitions as narrow. He pointed out that they only focussed on the enterprises. For Johnston therefore, a wider perspective could cover the whole process of employee involvement in national economic and industrial affairs. He sees the objective of workers participation as positive partnership between management and workers, rather than defensive co-existence.

All the forms in which workers participate directly or indirectly in the affairs of the enterprise are therefore indicators of industrial democracy.

These forms of worker’s participation vary from country to country. The well-known forms are:

### **Joint Regulation**

Joint regulations involve the following:

- **Joint Consultative Committee (JCC)** used at the plant level to discuss workers welfare matters and productivity. Some powerful workers are known to seize it as an opportunity to discuss issues relating to wages and other workers benefits.

- **Joint Industrial Council (JIC)** used at the industrial level for industry-wide bargaining or negotiation, which leads to collective agreements. This is in fact the machinery for collective bargaining which results in substantive and procedural agreements.

It is worthy to note that Joint Consultation, though, is a form of workers' participation as practiced in Nigeria is an indirect form of workers' participation because participation in the affairs of industry are done through their shop-floor representatives.

### **Board – Room Model of Workers' Participation**

This type of workers participation is practiced in Germany. It is known as the principle of co-determination. The objective of co-determination is that, because labour together with employers brought about the re-construction of Germany after World War II, every citizen therefore should be enabled to participate on equality basis in the economic, cultural and political decisions affecting his country. The equal participation laws called co-determination laws provide for the following:

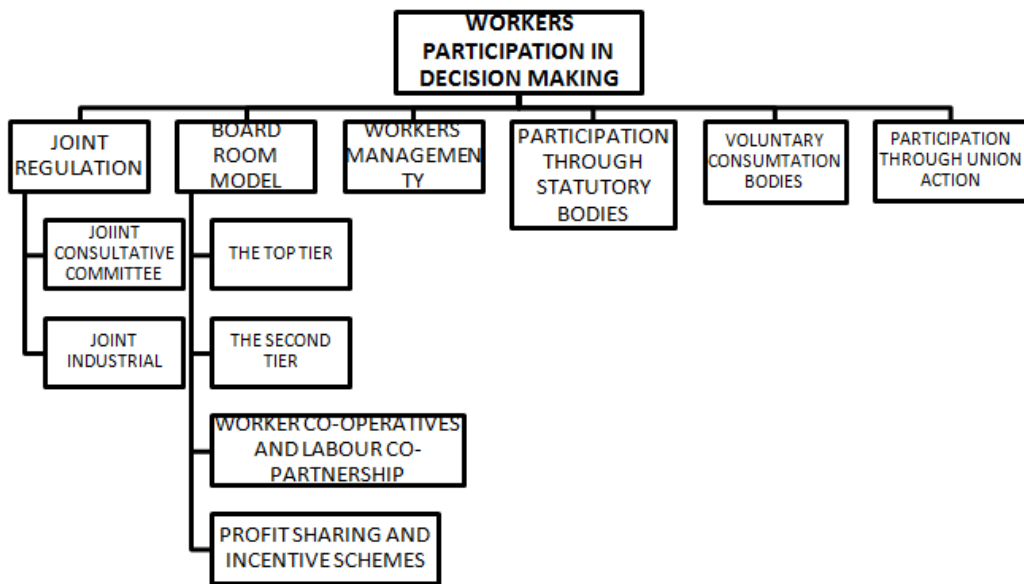
- **The Top Tier** (Supervisory or Policy Board) with employees' representation. The function of this top tier board is to oversee the running of the company and not to be involved in it.
- **The Second Lower Tier** (the Management Board) is concerned with the day-to-day running of the business. It is composed of executives; there is no employee representation on the Board.
- **Worker Co-Operatives and Labour Co-Partnership Arrangements:** Through the formation of co-operative associations, workers tend to form the management of such associations. Another form is where labour forms partnerships with certain employers.
- **Profit-Sharing and Incentive Schemes:** This provides for the purchase of shares by employees. In Sweden, some companies, out of their profits make allocations to a collectively owned investment fund annually which enable workers ownership stakes in Swedish companies.

The reason and objective for the various participation types by countries vary from country to country, region to region but they generally include the following:

- **Ethical Considerations:** This is linked with the growing awareness of workers discrimination on the basis gender which, beyond the political sphere should also be extended to economic pursuit.
- **Socio-Political Objectives:** This is aimed at applying the principles of democratic self-government within the economy.
- **Economic Objectives:** This is aimed at making it possible for workers to participate in the preparation of measures and policies in undertakings which. they are called to implement particularly in terms of productivity and profitability of under-takings.

From the above, it can be deduced that the various workers' participation models which vary according to a country's statutory regulation, prevailing economic circumstance, political system of Management, the role of unions and employers, are as follows:

- **Workers Management:** This is typified by the Yugoslav system whereby the management of public sector undertakings are entrusted to workers-appointed bodies within the undertaking.
- **Board Model Participation:** This is typified by the West German model of co-determination whereby they have a Two-Tier Board where the Top Tier have 50% workers representation responsible for supervising the affairs of the undertaking.
- **Participating Through Statutory Bodies (Works Committees or Councils):** This is typified by the statutory provision of the West German system, where workers councils exert influence and having co-decision making rights (either jointly or solely) elected by workers since they are prohibited from having the strike power, the unions still play a more important role.
- **Voluntary Consultative Bodies:** These are joint Committees which are merely consultative bodies with no binding powers. Members are elected by workers or appointed by their union and representatives of the employers. In most cases, these committees only form part of a more complex system of labor management relations in undertakings such as company level bargaining etc.
- **Participation Through Trade Union Action:** This could be in two ways:
  - **Through voluntary collective bargaining:** here, the union is often statutorily recognized either partially or fully with a concurrent obligation on management to negotiate and consult in good faith.
  - **Through unions in planned economies:** Here work councils are statutorily given powers to be consulted on all aspects of management to advice on and approve in advance certain kind of decisions.
- **Participation Through Responsibility, Decentralization and Supervision Democratically:** This involves participation of workers in their decisions to carry out their duties through a democratic method.



**Figure 1: Forms of Workers Participation in Decision Making.**

Source: Desktop Study, 2020

## Decision Making Models

Models put forward on decision making enriched different disciplines, including operations research. These models stemmed from a combination of the neutrality of behavioral science and practical advice to administrators.

Decision making models are seen to be oriented to the following:

- The goals of the organization (specifically, managerial goals).
- It is also concerned with the equilibrium of the organization.

The literature on the models put forward for decision making could be seen in two perspectives. The ideal type that is based on objective rationality and the bounded rationality type, which is said to be bracketed.

The ideal decision-making model views organizations as a network of decisional processes of choice between alternatives, in terms of reaching organizational goals. The ideal model assumes the following:

- That decision-making processes occur throughout the organization, from top to bottom.
- It operates within a framework whose main attempt is to show that the concept of the economic man operates in all levels of organization.

Decision making process can be seen as a highly rational act which involves the following:

- The selection of goals.
- Listing or finding all alternatives strategies for goal attainment
- The listing of all the consequences of each alternative
- The evaluation of the effectiveness of all the alternatives
- The choice of the best alternative.

The assumptions behind the ideal decision-making model are as follows:

- That behavior in formal organizations are rational
- The rejection of the conception of man in the administrative design model which is passive and therefore irrational
- The ideal type believes in the ability of human beings to search for and find answers.

Certain criticisms have been put forward against this ideal decision-making model:

- Various challenges such as the lack of information, human sentiments, ideological differences and politics derived from internal and external environmental factors of the organization will stand on the way of achieving the rational decision-making model.
- This has led to the production of the bounded rationality concept of decision making. That is, rationality is bracketed or decision-making takes place without being armed with all the necessary information, as against objective rationality where all knowledge and information needed are available, with all things being equal.

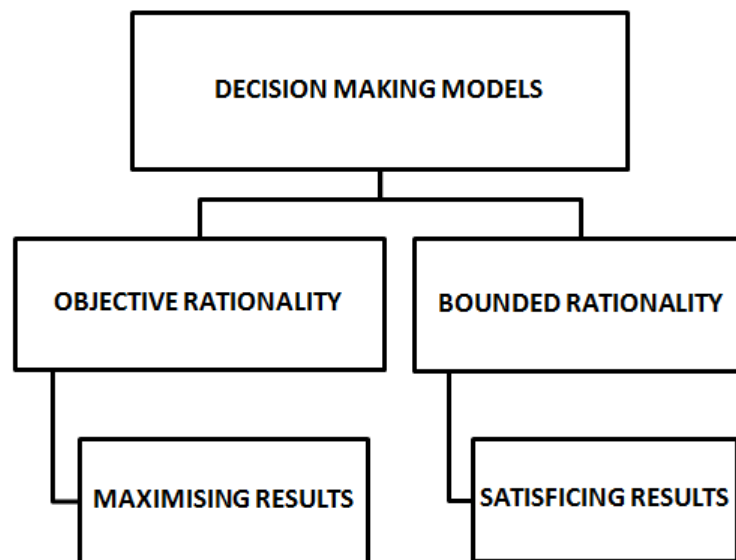
Due to the above highlighted challenges, decision making will have to operate on the framework of “bounded rationality”, resulting into “satisfying results” as against objective and rational decision making which produces “maximizing results”.

The decision-making models phrased on the bounded rationality model depended on the following:

- It operates within a framework whose main attempt is to show that the concept of the economic man cannot operate in all levels of organization.
- That, an important element is the administrative man who must utilize the means available to arrive at proper and useful decisions.

Satisfying results refer to the making of decision as best as one can with limited information and knowledge.

Maximizing results refer to the making of decisions armed with all the information, and which operates in an ideally rational situation. This is abstract and therefore non-existent.



**Figure 2: Decision Making Models.**

Source: Desktop Study, 2020

### **The Concept of Labour Alienation**

In discussing the concept of alienation (also known as estrangement) below are the works of the following schools of thought:

- **The Works of Blauner (American Sociology)** In his works, he related alienation to job satisfaction in terms of its relationship to technology. He saw no difference between the feelings of meaninglessness (anomie) and alienation (estrangement) feeling on worker in the modern factory who puts in his effort in the production process but gets estranged when the output is delivered and commercialized.
- **The Works of Berger and Luckman (Phenomenologist)** **The conception of these phenomenologists is said to be a derivative of the conception of Marxism as it relates to the interpretation of workers alienation in the collectivity within which they work. They believed that, in terms of the objectification of human life and human activity, that is, in terms of its externality to man, that social life is reified, turned into a thing**

**against man who himself originally constructed it. The import of their discussion is that every social role today is alienating to the performers. The point they are making is that everything in social life is constructed by man, but that, capitalist development has made this social construct of man to be foreign to man, and therefore in opposition and confrontation to man (reification).**

- **The Marxist Conception of Alienation** For the Marxian school of thought, four elements are contained in the concept of alienation.
- That the product of labour is alienated from labour, which is, the proceeds of what the labourer exerted his labor for, is not taken by him; it is estranged to the labourer.
- That labour is internal and work is external. Therefore, in the process of capitalist production, the labourer is compelled to go and work. That is to say, the work to be done by the labourer is not dictated by the labourer himself, but from instructions from outside the labourer.
- That the capitalist system has led laborer to be alienated from himself. That man has lost his essentialities because of the way he is located in the production system (a stranger to the decision on what he is to produce). From Maslow's assertion that man is a self-actualizing being, however, the capitalist system has deprived man from feeling himself as a human being.
- Marx contends that, the separation of capital and labour gives rise to the notion that, being a wage worker under the capitalist system of production, is synonymous with the idea that the worker so involved has somehow been disposed of his own person. That is to say, his labour power which he has put up for sale has turned him into a commodity. Man's labour power has been sold for wages in a capitalist society.

In summary, Marxian contention or argument is that the commoditization of workers labour power has led to the estrangement of the worker from his labour power. That is, the labour power exists outside of the worker and therefore alien to him. The product of his labour can only be seen by man as an end product and he does not know how it came to be a final product hence his labour power has been estranged from him.

Central to the models put forward for workers participation in decision making, models for decision making, worker alienation models is the fact that they tend to address or treat inter group relations (that is, relations between the parties in Industrial Relations-employers and employees). No attention was paid to the application of these models on intra group relations (decision making relations within a group-either within the union structure or the employers' structure).

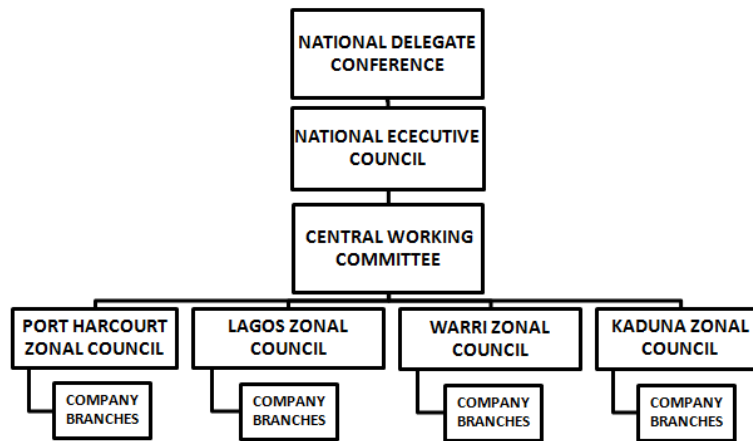
### **Union Membership Structure in Nigeria**

Trade Unions in Nigeria are structured along industry lines. The predominant end product or the economic activity of a company determines the industrial union to which its employees will belong. This position has statutory backing (Trade Unions Act, CAP 437 and its amendments).

Statutorily, three types of unions are listed as registered and recognized unions in Nigeria. They are:

- Senior Staff Unions (19 as listed under the trade union Act).
- Junior Staff Unions (43 as listed under the trade union Act).
- Employers Unions (10 as listed under the trade union Act).

All unions in Nigeria are national industrial unions with branches in companies whose predominant end product has bearing on the industrial union. The Oil and Gas Industry is the only industry without a registered and recognized employers' union. The organized Petroleum Trade Sector (OPTS) is an unrecognized arrangement. Figure 1 below is a representation of a typical union membership structure in Nigeria:



**Figure 3: Union Membership Structure in Nigeria.**

Source: Desktop Design, 2020

Another way of looking at union structure in Nigeria is as follows:

### The Federation of Unions

The Trade Unions Amendment Act of 2005 repealed the central labor Organization structure, replacing it with the federation of unions' structure. We have the Nigeria Labor Congress (NLC), acting as the umbrella organization for junior staff unions and the Trade Union Congress (TUC) acting as the umbrella organization for the senior staff unions. It has to be noted that by default, some senior staff unions such as the Academic Staff union of universities and the Nigerian Union of Teachers are listed under the membership of the NLC.

- The National Industrial Unions This is made up of the various national unions that are structured along industry lines.
- The Local Union Branches
- These are the local branches of the national unions operating and representing the national unions in various unionized organizations.
- There are also the employer's unions which are affiliated to the Nigeria Employers Consultative Association (an umbrella organization for employers in Nigeria).
- The role of any employers' umbrella organization may take one of two forms:
- Executive and Mandatory capacity in which case any decision taken by this umbrella organization binds its members.
- Consultative and Advisory capacity in which case decisions taken by this umbrella organization shall only be advisory and affiliated unions are not bound by it.



- The point here is that the Nigeria Employers Consultative Association has consultative and advisory capacity and therefore not a listed trade union under the Trade Union Act of Nigeria.
- However, there are ten (10) employers unions listed under the Act that are endowed with executive and mandatory capacity.

### **Union Membership Alienation and Intra Union Decision Making**

In a bid to review union membership alienation and intra decision making, the following union structural levels are put forward:

#### Decision Making Within the Federation of Trade Union Level

The below Federation of trade unions in Nigeria are the umbrella organizations to whom the industrial unions are affiliated:

- The Nigeria Labour Congress (NLC) and
- the Trade Union Congress (TUC)

From a decision-making perspective, the NLC and TUC would ideally adopt the following methodology to arrive at any decision:

- The selection of goals.
- Listing or finding all alternative strategies for goal attainment
- The listing of all the consequences of each alternative
- The evaluation of the effectiveness of all the alternatives
- Then, the choice of the best alternative.

The Nigerian Trade Unions amendment Act of 2005 provides that a ballot must be conducted for members of the Trade Union and a simple majority of registered members' votes before a decision is reached to go on strike.

In 2016, the NLC and TUC did not follow the above decision-making methodology before calling out members on strike due to a sudden hike in the prices of petroleum products. This led to a feeling of alienation by some of the affiliated unions. And this led to a schism and indeed adversarialism within the affiliate membership. The strike was not successful as the Petroleum and Natural Gas Senior Staff Association and the Nigerian Union of Petroleum and Natural Gas ensured that the strike action failed.

In 2001, alienated staff of First Bank Plc. complained of poor pay after comparing themselves with the new generation Banks. At that time, employees of the new generation banks were not unionized. Though the NLC leadership sees the non-unionization of employees in the new generation Banks as slavery, staff of these Banks are much better remunerated and motivated than those of the unionized Banks.

Since the limiting factor on the side of the Management of First Bank to pay like the new generation Banks, is the organized Banking Industry collective agreement, staff of First Bank opted for de-unionization. For these employees, their automatic unionization prior to the promulgation of the Trade Union Amendment Act of 2005 was done without their

participation in that decision making. This action led to industrial adversarialism.

#### **Decision Making Within the Unions Local Branch Level**

In 2002, PENGASSAN BULLETIN (unions official newsletter) reported that, one of the national Industrial Unions (Petroleum and Natural Gas Senior Staff Association) suspended the branch officers of the Union in Chevron (a Multinational Oil company in Nigeria) for what they referred to as anti-union activity, for alienating local branch members in their decision in the merger arrangement between Chevron and Texaco. These officials were accused of not adopting the union's internal decision-making guidelines. This led to an imbroglio in the Industrial Relations atmosphere of the Chevron Organization at the time.

#### **Decision-Making within the Unions' National Industry Level**

In 2011, the local branch of the Nigerian Union of Petroleum and Natural Gas of Shell Petroleum Development Company (SPDC) filed a litigation action against the National body of the union for alienating the local branch membership in their decisions. This crisis created a division within the branch union membership leading to industrial adversarialism within the Company.

#### **Decision-Making within the Unions' State or Zonal Level**

In 2009, the local branch of the Petroleum and Natural Gas Senior Staff Association of Nigerian Agip Oil Company sent their delegates to the delegates' Conference of the union for the election of zonal officers. A delegate who was sent as a proxy contested and was returned as the Zonal Chairman of the Union. Apparently, the branch members were alienated from the decision that led to the return of an officer who was not considered as an eligible candidate. The absence of an internal union decision-making method led to agitation and internal wrangling, which led to the suspension and eventual removal of this candidate. This led to a litigation and intra union conflict with a consequent industrial adversarialism.

It can be argued that union membership alienation is likely to lead to industrial adversarialism or disharmony which may manifest in form of intra union conflict. Where this intra union conflict affects the functioning of the Organization, then there is likely to be the manifestation of organized conflict in the form of lockouts, and the withdrawal of plants. The unorganized type uses individuals as channels and this manifests in negative labor turnover rates; deliberate mishandling of tools; high accident rates; high absenteeism rates. It can also be argued that where workers alienation is minimized, it will, all things being equal, lead to industrial harmony by minimizing the incidences of organized strikes and un-organized strikes.

### **CONCLUSIONS AND RECOMMENDATIONS**

In this discourse, the paper argued that Industrial Relations as a discipline emerged as a reaction to the increasing challenges that were in place when employment relations were managed by the application of free market economic forces of the demand and supply of commodities.

The paper also viewed the emergence of labor organizations as the justification to balance the one-sided determination of price and conditions of labor and the relation of the state to industrial action. This led to the emergence of the three principal actors (employers and their representative organizations, workers and their representative organization, and the State).

The paper noted that the clamor for the emergence of labor organizations or worker collectivities was to ensure that workers have a say in the determination of the conditions under which they work.

It was further debated that the models and concepts relating to workers participation in decision making, decision making models and worker alienation thesis addresses only the inter group aspect of workplace decision making. There was little or no emphasis on intra group (intra Union) or membership participation in decision making and the gamut of issues relating to intra union decision making and intra union membership alienation.

The paper equally reviewed the structural dimension of the effect of union membership alienation which led to industrial adversarialism.

The paper concludes with a recommendation that the worker participation models and the decision-making models based on bounded rationality be adopted within the union membership structure, including the obedience to the union membership consultation provision in the Nigerian Trade Union amendment Act of 2005 so as to minimize industrial adversarialism in Nigeria.

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