BHM 654	MANPOWER PLANNING AND ADMINISTRATION

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MODULE 1

UNIT 1 THE NATURE OF MANPOWER PLANNING SYSTEMS I

CONTENTS

1.0 INTRODUCTION

The centrality of manpower in production process of corporate entities has long been acknowledged by organization managers and administrators. What seem to be a new compelling issue on business and public mangers is the necessity to effectively plan for corporate manpower needs in order to cope with the fast changing technology, product and skills needs of modern organizations.

This first unit of Manpower Planning and administration highlights on the significance of manpower planning as a corporate survival strategy in a dynamic business environment. The activities that constitute manpower process and forecasting technique are discussed.

2.0 OBJECTIVES

After studying this unit, you should be able to:

- Define the concept of manpower planning;
- Understand the necessity for manpower planning in organizations;
- Get familiar with various manpower forecasting technique

3.0 MAIN CONTENT

3.1 Definitions and Meaning of Manpower Planning

Manpower planning has been variedly defined in the following ways:

i. An integrated approach to performing the planning aspects of the personnel function in order to have a sufficient supply of adequately developed and motivated people to perform the duties and tasks required to meet organizational objectives and satisfy the individual needs and goals to organizational members (Magginson 1977);

ii. A process of analyzing an organizations human resources needs under changing conditions and developing the activities necessary to satisfy these needs (Walker, 1980);

iii. A process for determining and assuring that the organization will have an adequate number of qualified persons, available at the proper times, performing jobs which meet the needs of the enterprises and which provide satisfaction for the individuals involved Beach (1975);

iv. The process of forecasting future human resource needs of an organization so that steps can be taken to ensure that these needs are met Teresa (1999).

It is clear from these few definitions that although the different definers chose to group their perceptions of the phenomenon in their individual ways, there is a recurring common theme. Each of them agreed that manpower planning is an on-going process (integrated approach), not a once and for all phenomenon. Its process involves interrelated activities and the plan must continue to be modified to meet prevailing circumstances. As a plan, it is embedded with implementation programmes designed to ensure availability of adequate qualified persons. Such implementation programmes include recruitment and selection (employment) of required skilled personnel to perform jobs that will allow the enterprise meet both the corporate and individual goals. The plan implementation programme also entails training and development of personnel and performance appraisal as well as other related personnel administration functions.

The term 'Manpower Planning' at organizational or corporate level is also known as micro-human resources planning and it has much to do with personnel management or personnel administration. The terms "manpower, 'human resource", and personnel management or personnel administration refer to the same activities concerned with managing people at work. As such the terms can be used interchangeably. On this basis, Manpower Planning and Human Resources Planning (HRP) are the same phenomenon.

3.2 Objectives of Manpower Planning

H.R.P has two broad objectives which are:

(a) To provide for the present and future personnel needs of organization both quantitatively and qualitatively
(b) To ensure the optimum use of the personnel currently employed.

Rao and Rao (1996) further give a mere elaborate objectives of H.R.P as follows: to recruit and retain human resources of required quantity and quality; to for see employee turnover and make the arrangements for minimizing such turnover and filling up of attendant vacancies; to meet the needs of the programme of expansion, diversification etc; to for see the impact of technology on work, existing employees and future human resources requirements; to improve the standards, skills, knowledge, ability, discipline etc; to assess the surplus or shortage of human resources and take measures accordingly; to maintain congenial industrial relations by maintaining optimum level and structure as human resources; to minimize imbalance due to non-availability of human resources of the right kind, right number in the right time and right place; to make the best use of human resources and finally to estimate the cost of human resources.

You will notice that the first two broad objectives above summarized all the objectives Rao and Rao tried to itemize in ten subject matters. These ten basic objectives constitute the central concern of the study and practice of personnel management in private and public sector organizations.

3.3 Rationale for Manpower Planning

In the traditional management approach to manpower administration, management assumed that it could always obtain the personnel it required whenever it needed them and therefore had no need to engage in formal manpower planning. Of course, this approach to personnel management succeeded because most of the enterprises were small in size, changed little for along time and the skills they employed were simple. In modern complex organizations which experiences fast changes in technology, products, market and internal structural re-organization and utilizes a lot of high talent personnel, a formal personnel planning is essential for viability and survival of the organization in a dynamic and competitive business environment.

Some reasons for systematic manpower planning in organizations include:

(i) To determine and ensure future personnel needs;
(ii) To cope with changes in competitive forces, market, technology, product and government regulations on personnel administration;
(iii) To ensure that the organization continue to maintain adequate stock of scarce, skilled and experienced manpower through deliberate personnel procurement and development policies, motivation, integration, utilization and succession plans;
(iv) Manpower planning is necessary in organizations as an integrate part of corporate strategic planning process. Organization strategic plan defines the corporate mission, goals, strategies, evaluate the business challenges, organization strength and weaknesses;
(v) Manpower plan provide a necessary basis for designing and implementing personnel functions such as recruitment;
(vi) To meet the requirement of government regulation on employment. Such government policy as equal opportunity for women and minority group could necessitate that corporate manpower planning make provisions to accommodate this regulation. The quota system policy on employment in public sector organization of Nigeria is a good example of such governmental regulations that can necessity that corporate entities draw their employment plan to conform with government regulation if the policy is extended to cover business or private organizations.

3.4 The Manpower Planning Process

Although organizations differ in the degree of sophistication they exhibit in their manpower planning process, scholars in the field are agreed that corporate manpower planning is made of five major series of interrelated activities. (Beach, 1980) The five – stage manpower planning process are:

(i) Identification of the goal and plan of the organization;
(ii) Determine current manpower situation;
(iii) Forecast manpower demand and supply;
(iv) Design programmes to implement the plan;
(v) Evaluate plan effectiveness through audit and adjustments.

3.4.1 Linking Manpower plan to corporate goals

Manpower plan is part of the overall corporate strategic plan and should base its forecast of personnel demand and supply on the strategic plan of the organization. If the corporate strategic plan for the next five years is designed toward diversification of business activities involving corporate expansions, new product, new plants, new market and so on, the manpower plan should show adequate preparation for provision of requisite workforce to implement the corporate strategic plan.

3.4.2 Account for current manpower situation

The second activity of manpower planning process is the preparation of skills inventory which usually contain up-to-date information about the qualification of selected category of personnel that currently serve in the organization. The skills inventory serves the following purpose:

(i) It provides the baseline to compare the current manpower status of the organization (manpower supply) with the required skills specified in the manpower demand forecast. This comparism will reveal the degree of gap or significant difference between manpower need of the organization and the supply side (i.e. the available workforce). It will also provide information about what skills in the organization need to be developed through training or obtain from external manpower sources;
(ii) It identifies the available talent within to fill specific job opportunities or vacancies;
(iii) It is useful for the preparation of roster of qualified technical and managerial personnel;
(iv) Existence of skills inventory enhances the opportunities for employees to satisfy their career aspiration through development and promotion (Beach, 1975).

3.4.3 Manpower Forecasting

Manpower forecast involve estimating skills need of the organization in the future time (the plan period) as well as provide statistic about manpower supply which consist of the available personnel in the organization pay roll and the number to be recruited externally.

3.4.4 The Plan Implementation

Forecasting manpower demand and supply and comparing the demand with the supply to determine the differences is the last major activity of manpower planning. The next stage is the implementation of the plan through personnel administration programmes such as recruitment, selection, placement, performance appraisal, promotions; lay off, training and development and compensation.

However, before management decides to resort to such elaborate implementation strategies mentioned above, some preliminary interim measures are there to solve the problems of disparity between personnel demand and supply. When demand surpasses supply, management would plan for anticipated shortages through better utilization of the available manpower; hiring additional hands from outside, transferring employees to jobs in which there is shortages of workforce; training employees to occupy or fill job positions that will enable them move up to higher skilled position; compelling employees to work overtime and ensure that employee increase their productivity. In case these policy instruments are not sufficient to solve the problem of shortages, additional hands from outside the organization may be employed either on part-time, temporary, full-tell or permanent full-time basis.

On the other hands, if management anticipates surplus manpower supply in an organization, the situation can be avoided or remedied through:

(i) Training employees to move out of job where surplus manpower exist into other jobs where shortage exist;
(ii) Reducing work hours and work sharing;
(iii) Curtailing employment, promotions and transfer into jobs for which surplus is anticipated;
(iv) Reducing pays and freezing pay increases (Teriza, 1999)

3.4.5 Audit and Adjustments

The last stage of manpower planning process is the evaluation of the plan to assess and ascertain if the plan goals are met, if not, determine the reasons for failure. Evaluation may entail modification of the goals and strategies so as to achieve success. This is necessary because the effectiveness of manpower planning depend on how well human resources needs are anticipated and met.

Figure 1.1: Manpower Planning Process

1. GOALS AND PLANS OF ORGANIZATION
Strategic planning, public policy, social tends economic conditions, technology, market conditions, strengths and weakness of organization projected outputs for planning periods.

2. CURRENT HUMAN RESOURCES SITUATION
Skills inventory, numbers of people grouped by job, department, organizational level, location age, education, in-service training, complete performance.

3. HUMAN RESOURCES FORECAST
Present workforce: project requirements, layoffs, promotions and quits for planning periods.
Demand for people: translate plans and forecast for organisation into demand for employees for planning periods.
Comparism of demand with supply: net additions or abstractions found by comparing (a) and (b)

4. IMPLEMENTATION PROGRAMME
Recruitment, selection and placement, performance Appraisal, career planning, transfers, promotion, layoff, training and development, motivation ad compensation.

5. AUDIT AND ADJUSTMENT
Measure implementation progress, compare with plan, take corrective action. Change human resource plans if enterprise plan are altered. Periodically update skills inventory, forecast and implementation programmes

Adopted from Folayan, O. (1998), personnel Management: - Theories and issues, Ronaf publishing Inc.

3.5 Manpower Forecasting Techniques

Forecasting techniques are devices designed to predict and estimate organization's future manpower requirements. Some of the commonly used techniques are:

1. Expert estimation;
2. Planning for status quo;
3. Unit demand forecasting model;
4. Rule of thumb;
5. Management succession etc.

3.5.1 Expert Estimation Technique

This is a forecasting method whereby experienced managers or experts who are conversant with production process of the organization estimate manpower required to undertake operations of the desired new business expansion. Based on experience, they can give adequate estimation of man per unit production per hour. The usual period for this type of forecast ranges between 1 – 2 years (i.e. short-range forecast). The three variant of this forecasting technique are:

(i) Planning for the status quo
(ii) The rule of thumb and
(iii) The Delphi method

3.5.1.1Planning for the status quo

This is the simplest forecasting technique where the planning manager believe or is sure that the current manpower supply and mix are adequate and therefore concern himself with efforts to replace only those that are promoted or those who left the organization. It is a simple replacement strategy and is suitable for small organization.

3.5.1.2 Rule of Thumb Technique

In this device, managers of the various sections of the organization make estimate of the present manpower needs by using their experience to convert information on short time future business activities such as unit to be produced, customers to be served and projects to completed.

Based on the activity component of these operations and the managers past knowledge of the number of people previously used to undertake similar functions, they make present situation manpower requirement projections.

3.5.1.3 The Delphi Method

This is a technique whereby a panel of experts (assuming the role of the legendary oracle of Greek mythology) forecast a future situation through repetitive independent individual decision making process. This method requires a panel of experts to work on their individual judgmental basis to forecast future manpower need after which a moderator gather the forecast, summarize them and return the general forecast to the individual forecaster as a basis to continue forecasting until a consensus is reached. It is systematic way of obtaining and refining judgment of a group of experts (Folayan, 1997).

3.5.1.2Unit demand forecasting Models

Here, supervisors and managers of various units estimate human resource need of their respective unit for the planning period. The managers' units forecast are added up to obtain a total forecast of the organization's manpower need. A variant of unit demand forecasting technique is the management succession planned the manning table.

3.5.2 Management succession plan

This is a device for estimating manpower flow (how employee move in, grow and quit) of the organization. It is known as replacement planning or management progression or forecast, which is usually designed in a chart form called replacement chart. Such charts provide information on the age, education, experiences, current status and advancement potentials of each manager in the enterprise. This chart shows the current position occupant in the chart and their likely successors. Succession plans enables vacancies to be filled without delay and people can be trained to take over such vacancies.

The problem with this system is that there are higher risks in designing some individuals as "crown princes" or "hair apparent", it could demoralize others who are also qualified and are interested in the position. More so, an ambitious potential successor could manipulate corporate political environment and get the incumbent removed before his quit period is due. Also others interested in the position could politicize the arrangement and create unnecessary rivalry and tension in the organization.

3.5.2.2 Manning Table

This device takes care of the problems with the arrangement of succession plan. This device gives chance to all position occupants to fill higher vacancies when opportunities are available. To achieve this aim, every position occupant is exposed to experience acquisition training and development opportunities to enable them grow along their career ladder.

3.6 Selecting the Appropriate Technique

A manager or specialist personnel officer need to put certain factors into consideration before choosing a given technique of manpower forecasting. Such factors include the needs to be served, technical competence (technology) of the organization, the cost involve in implementing the technique, the time requirement of the forecasting technique and the political climate of the organization.

4.0 CONCLUSION

In this first unit of our discussion we clarified the concept of manpower planning, its objectives, rationale and the nature of manpower system. The manpower planning process we said consist of series of activities such as embedding the manpower plan into corporate strategic plan, determining current manpower or situation of the organization; forecasting future demand and supply, implementing the plan through personnel administration programmes and implementing the manpower plan. We concluded the unit with the discussion on technique of manpower planning.

5.0 SUMMARY

This unit treats the fundamentals of manpower planning as well as the technique used to predict and estimate future personnel needs of organizations in both private and public sector. We witnessed that manpower or human resources planning (HRP) is foundation of personnel administration practices. In fact, the implementation programmes of HRP constitute the major operation and activities of personnel administration practices. We have also realized that manpower is necessary for all organizations that need to be viable and survice in a dynamic and competitive business environment.

6.0 TUTOR MARKED ASSIGNMENT

Explain the major activities that constitute manpower planning system

7.0 REFERENCES/FURTHER READINGS

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UNIT 2 MANPOWER PLAN IMPLEMENTATION AND ADMINISTRATION

CONTENTS

1.0 INTRODUCTION

In unit 1 where we discussed manpower planning system, you noticed that the constituent activities of the system focused on manpower policy formulation and implementation programmes. We also informed you that as a policy making process, manpower planning is a key aspect of corporate strategic plan and that it should be embedded in the strategic plan of the organization. Manpower policy and planning therefore is an expression of organization’s values or needs (covering the demand and supply of staff and corporate belief or philosophies regarding the major functions of the enterprise which is inextricably linked to or is a function of its staffing policy).

This unit 2 discusses manpower plan implementation programmes, which is the basic concern of personnel administration or personnel management in practice (as a function or vocation) and as a field of study (a discipline and body of knowledge). Here, we are concerned with the administration of people, staff, personnel or human resources in organization, private or public. The subject matter has so many names specialists or scholars in the field of administration and management used to refer to it.

It is called human factor in production process, the human side of the enterprise, human relations in organization, human behaviour in organization, personnel administration, personnel management, manpower administration and of course Human Resources Management (HRM). Generally there are no significant differences in the basic meanings or contents and scope of the subject matter which each of these application denote. Probably the concept "manpower" in the perspective of the economist may have a wider application – referring to the entire work force in an economy (a macro-approach or perspective) or it may be applied to workforce in an organization (a micro-approach or perspective). The concept human resources suggest the human capital: potentials, available, skilled, unskilled, employed or unemployed in the economy or organization. The term "personnel" has a more restricted application. Its application is more common in public sector organizations than in business.

It is important for you to know that the variance in these concepts used to describe the subject emanate from professional predice rather than technical point of view. People in the industry including academicians in the field of business administration, sociologist and social psychologist may prefer to use the concepts personnel management, human relation in administration or even human behaviour in organization, while professionals in public sectors including academicians with political science background may opt for personnel administration. Since all these concepts refers to process and methods of handling staff matters in organization, their application in different context should not pose any problem of understanding to you.

2.0 OBJECTIVES

After reading through this unit, you should be able to:

- Know different concepts or terms used for personnel administration.
- Define personnel administration aptly
- Know the scope of personnel administration functions
- Analyse various activities of personnel Administration
- Know who are responsible for variety of personnel administration functions.

3.0 MAIN CONTENT

3.1 Concepts and Nature of Personnel Administration

Personnel administration, manpower management or personnel management has been defined by scholars in the field as:

(i) A specialized field of management concern with the development and effective utilization of human resources so as to achieve organizational objectives. Folayan (1998);

(ii) The recruitment, selection, maintenance, development, utilization and accommodation of human resources by organizations, French (1987);

(iii) Obtaining, organizing and motivating the human resources required by the enterprise, developing an organization climate and management style which will promote effective efforts and cooperation and trust between all the people working in it, and helping the enterprise to meet its legal obligations and its social responsibilities towards its employees with regard to the conditions of work and quality of life provided for them. Amstrong (1980);

(iv) A responsibility of all those who manage people as well as being a description of the work of those who are employed as specialists. It is part of management, which is concerned with people at work and with their relationships within an enterprises. It applies not only to industry and commerce but all fields of employment (IPM, 1963).

It is obvious from these definitions that personnel administration or manpower administration are subject to diverse definition and there is therefore no one universally accepted definition of the subject matter. It is however, possible to discern similar recurring theme the different defining authorities emphasizes. You noticed that two basic senses or issues were emphasized

(i) That manpower administration is a specific management functions designed to institute efficient, productive and motivated workforce in an organization;

(ii) It is a shared responsibility of both line managers and personnel specialists who ensure harmonious, human and productive relationship among employees in the industry and public service.

This last point of emphasis reveals to you that manpower administration functions of procurement (staffing), compensation, motivation and integration (maintenance), and utilization are joint responsibility of both line managers and specialist personnel managers in the organization. Thus, every officer or manager that has to direct and supervise and influence the work of subordinate is in a way performing personnel management functions. This is the joint responsibility nature of manpower administration.

Secondly, manpower administration is by nature a staff (advisory) function which personnel specialist carry out in advisory capacity and they cannot enforce manpower policies without the support of the line managers.

3.2 The Scope of Manpower Administration Functions

If you revisit section 3.1 above you will notice that most definitions of manpower administration emphasizes the operative tasks of recruitment, selection, (staffing) motivation, compensation, performance evaluation etcetera. Let us now examine each of these operative functions of personnel or manpower administration.

3.3 Employment Function

Personnel administration activities or operations, which constitute employment functions, include designing a workable recruitment policy, conducting recruitment, selection, placement and induction programme. The supervisor or line manager has the responsibility for deciding and determining employment needs, the type of job positions that need to be filled. He is also responsible for determining the job content of the positions that need to be filled, and the required qualification necessary to perform the job satisfactorily. These are recorded in the form of job descriptions and job specification (job analysis).

The personnel department is responsible for recruitment programme but selection function is a joint responsibility of both line managers and personnel specialist. Personnel staff design selection procedure and conduct activities involved but the final decision to employ (hire) or reject applicants is the reserve of the line managers who requested for new employment. In big business corporations, personnel management department is usually given full authority to make hiring decisions.

3.4 Personnel Performance Appraisal

Personnel performance appraisal concerns determination of performance competence (strength) and failure (weaknesses) of the employee on their jobs. Appraisal results are used to determine promotion, compensation plan, training and counseling needs. It is a joint responsibility of personnel specialist who prepares and administers the evaluation instrument and the line manager who designed job assessment areas and instrument conduct the assessment (appraisal) and forward the scores to personnel management department for record management purpose.

Performance measurement or appraisal is a vital instrument for insuring personnel performance improvement.

3.5 Employee Transfer, Promotion and Separation

These are management efficiency enhancement functions which involve movement of personnel from one job position to another (transfer) and from lower responsibility to a higher ones (promotion) or a total exit from the organization. Exit from the organization may take many forms. These functions are undertaken in a coordinated capacity between line and specialist personnel managers. Transfer can be initiated by line managers and personnel specialist administers it. Promotion decisions are usually initiated by line managers, processed by personnel officials and jointly executed by the two managers.

Separation in form of lay-off, retirement, dismissal is usually processed by personnel department to insure conformity with laid down rules and regulations. It is a more complicated and technical function that need expertise and experience to insure uniformity of action with the previous similar issue and careful handling. If separations cases, especially, dismissal cases are handled carelessly, it could lead to unnecessary grievances and industrial conflict.

3.6 Staff Training and Development

Employee training and development are specially designed to enhance efficiency and morale of the employee at work. Training and development programmes are targeted at improving staff knowledge, skills and attitude to work (KSA) so as to remove any form of deficiency in job performance and behaviour at work.

The internally planned on the job training and coaching programmes are usually imitated and designed by line managers or supervisors who may also act as instructors. However, it is the joint task of the line managers and industrial relations (or training) staff to determine the training needs of the employee. After the needs are determined, personnel specialist organise and conduct the necessary programmes to meet corporate training objectives.

3.7 Employee-Management Relations

A formal mechanism for employee-management relations ensure harmonious, productive and mutual beneficial labour management relations in work place. Industrial relation function entails initiating sustained measure for peaceful and purposeful labour-management relations. This is done through constituted machinery deliberately designed to deal with complaints, grievance and disputes in an organization.

Industrial relations officers or personnel managers play more significant roles in this function. They meet with labour union as management spokesmen. In labour-relations issues, it is advisable the manager consult personnel officials. Although most complaints and grievances may be communicated first to line managers, the specialist personnel officials should be contacted first before line manager respond to or act on complicated complaints and grievances.

3.8 Employee Compensation and Salary Administration

This is a reward system made up of the determination and application of salary levels, job evaluation, wages and salary reviewed activities designed to motivate employee performance and retention in the organization. Personnel specialist in consultation with expert consultants designed and install job evaluation programme.

The decision to adopt a particular pay structure of minima wage or maximal wages is the prerogative of top management. Maintaining compensation records and salary survey record are personnel staff responsibility while most of the decision to raise or change the entire pay structure is the responsibility of the chief executive.

3.9 Administration of Personnel Records

Administration of personnel record is concerned with recording, maintaining and retrieving employee related information for corporate management purpose. Records consist of personnel information and statistical information. Personnel information are basically for internal uses while the statistical information are usually for external use, especially when organization provide statistics to government agencies.

Personnel records is essentially personnel specialist responsibility and can sometimes be kept also by line managers but the central record management functions as a staff function and should be in the custody of personnel officers.

4.0 CONCLUSION

In this unit, you have been introduced to the concepts variedly used for personnel administration. You also understand that personnel administration concerns the procurement, maintenance and utilization of corporate workforce to achieve corporate goals.

It has been demonstrated to you that personnel administration functions in organization are joint responsibility of line managers and specialist personnel officials who serve the organization at the advisory (staff) capacity.

5.0 SUMMARY

In this unit, you realized that manpower administration mean the same thing with personnel administration, personnel management and to ascertain extent of human resources management. We have shown preference for the terms personnel administration and manpower administration which we would continue to use them interchangeably.

We have also made you conversant with a ray of personnel managements functions including employment, performance appraisal or evaluation, employee transfer, promotion and separations, training and development, industrial relations, compensation and record management. Finally, you have been informed about these functions are undertaken in a coordinated way by both line managers and specialist personnel officials.

6.0 TUTOR – MARKED ASSIGNMENT

Define personnel management and explain its operative functions.

7.0 REFERENCES/FURTHER READINGS

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UNIT 3 MANPOWER RECRUITMENT AND SELECTION PROCESS

CONTENTS

1.0 INTRODUCTION

Recruitment and selection as a vital workforce procurement strategy is the first step in manpower planning implementation programmes. Ability of an organization to meet challenges of future business competition and survival depend largely on the stock of competent workforce that has been put in place through efficient recruitment and selection process.

The significance of recruitment and selection lies in the fact that severances and turnovers must be replaced to keep organization going. To be effective in recruitment, you need to put in place a formalized recruitment policy explicitly stating corporate code of conduct on recruitments encompassing statements of goals, lines of action and recruitment plans. Recruitment plans determine available additional jobs, the rate of labour turnover forecast, categories of workforce required, the number of promotions, external labour market situation, schedule of recruitment time table and the number of staff to engage in the exercise.

Recruitment policy, plan and procedure ensure that corporate recruitment practices are systematic, consistent and responsive to internal needs of your organization figure 3.1 below show steps in manpower acquisition planning.

Figure 3.1*:* Steps in manpower acquisition planning

Recruitment is the process of finding and attracting suitable applicant for vacant job positions in the organization. Selection entails choosing the applicant that best meets the jobs requirements; placement involves posting new employee to appropriate job position where their- services are needed. While induction is the process of introducing new employees to their jobs, workgroup, department and the organization.

2.0 OBJECTIVES

You should be able to:

- Define recruitment, selection and explain the activities in the process.
- Identify and explain methods and sources of manpower recruitment for organization.

3.0 MAIN CONTENT

3.1 Definition and Meaning of Recruitment

Recruitment has been defined by different scholars as:

(i) The process of searching for prospective employees and stimulating them to apply for jobs in the organization Flippo (1976);

(ii) The process of attracting potential employees to the company Mc Farland (1968);

(iii) The development and maintenance of adequate manpower sources. It involve the creation of a pool of available labour from which the organization can draw when it need additional employees.

All these definitions portray that recruitment policy thrust is based on concerted efforts to mobilize as much potential employees as would permit the organization to choose the best suitable ones to achieve corporate goals. The guiding principle is a positive one, as it does not denial any applicant an opportunity, rather it welcome all applicants even if the selection process would eliminate the unqualified ones based on clear merit-based standards.

3.2 Sources and Methods of Recruitment

The two main sources of recruitment are internal and external sources.

3.2.1 Internal Sources

The internal sources of recruitment in an organization include corporate deliberate policy of filling existing vacancies through transfers from surplus unit to units that experiences shortages of the required personnel, promotions and sometimes even demotion can create job vacancies to be filled.

Management usually allows interested employees to bid for existing vacancies or search through skills inventory to determine suitable candidates in the organization. Sometimes advertisements are made in the company magazine or news bulletin. If the advertisements are made in both internal and external media, it means the internal and external applicants have to compete with outside candidates to bid for the job positions in their organization.

3.2.2 External Sources

It could be a corporate employment policy to recruit certain categories of employees from outside. This decision may depend on the types of jobs involved, the supply of labour relative to demand etcetera. External source of recruitment include unsolicited applicants, public recruitment agencies such as the civil service and parastatals, advertisement of the position in the news papers, employee recommendations, educational institutions, labour union, professional associations like Nigeria Institute of Management (N.I.M), Institute of Charted Accountant (ICAN), Nigeria Institute of Personnel Management (NIPM) et cetera.

Both the internal and external sources have certain advantages and disadvantage which are summarized below for you.

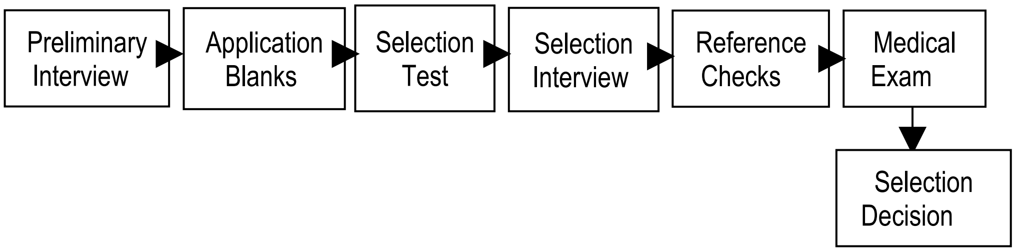
Figure 3.2: Advantages and disadvantages of internal and external source of recruitment

Sources	Advantages	Disadvantages
Internal	- Promote high morale - Acts as training device for developing middle level management - Quicker and much cheaper to use - Reduces labour turnover - Applicant are familiar with corporate culture - Motivate good performance among employee - Good instrument of succession plan.	- Can be dysfunctional - Promotion within can create unhealthy rivalry. - It can create indiscipline because of the competition among interested candidates.
External	- It may bring new personnel with new insight - It can break or stop conservative management culture. - It is cheaper and faster than training programmes. - It can improve corporate public relation because new outside connective and influences.	-

3.3 Manpower Selection Process

Selection refers to the process of choosing the most competent applicant out of those recruited. Having attracted a large pool of potential employees, you stand a good chance to choose the most suitable applicant for your job position. Selection process should enable you to reject the incompetent candidates so as to identify and pick (select) the qualified and suitable ones. To do this, selection process is constituted of rigorous talent identifying tests and screening exercises. The guiding principle of selection process is therefore a negative one based on elimination principles.

Figure 3.3: steps in selection process



Organizations however differ in their application of the above sequence of events in conducting their selection program. The events in the above process are a comprehensive one and organization should follow all the steps or may merge the activities. The analysis of the process is as follows.

3.3.1 Preliminary Interview

This is the first of the series of elimination steps. It is designed to have first contact with the applicant and cross examine them so as to eliminate the obvious unqualified ones at the outset in order not to waste their time in the long screening procedure.

3.3.2 Application Blank

Applications Blank are instrument for assessing applicants suitability for the job position. The forms are designed to obtain information on applicant's family background, education and work experiences. These information will become a permanent records of the employee if he successed in securing appointment. Curriculum vitae contain most of the information needed for application blanks.

3.3.3 Selection Test

This test measure applicant's ability, aptitude and other personality traits, intelligence test, mechanical, clerical and achievement tests.

3.3.4 Selection Interview

Interview is the traditional method of measuring applicants' suitability for jobs. Selection interview provide another opportunity for face to face contact with the candidates so as to obtain in-depth information about candidates. The forum grants information such as candidate's appearance, mannarism, emotional stability, motivation, attitudes and interest, Folayan (1997).

3.3.4.1 Type of Interview

Interview may be conducted in different forms depending on the organization, the type of job vacancies available and time. Four types of interview are commonly used in public and private organizations in Nigeria.

3.3.4.2 Panel Interview

This is an interview technique where individual applicant appear to a panel of interviewers who ask the applicant several questions turn by turn after which their individual scores on candidates performances are examined to reach a consensus.
Since the interview is unstructured and the panel members are at the liberty to change the sequence of the questions, the process lack the thoroughness and their judgment can be highly subjective and unstanderdized.

3.3.4.3 Patterned Interview

This is another form of panel interview system but here the question are structured and standardized, and most of the times the questions are designed inform of questionnaire prepared based on the nature of the job position available, criteria such as intelligence, preciseness, cogency, intellectual skills are examined. These techniques take care of all the weaknesses of the panel technique in 3.2.4.2 above.

3.3.4.4 Group Interview

This is an interview technique whereby group of applicants meet face to face with a group of interviewers at once. Applicants are given a problem to solve collectively while the panel watches them handle the issue so as to determine the part or role of each applicant in the problem-solving situation. Assessments are made on the applicants as they solve the problem.

The basic weakness of this technique is that candidates with domineering personality who may not necessarily be the best suitable candidate for the job tend to score higher mark through this technique.

3.3.4.5 Stress Interview

Stress interviews are designed to test emotional stability, maturity and personality of applicant seeking to occupy specialized position that has to do with public relations. Such positions demand for calmness in the event of unwarranted tension, embarrassment, anger and frustration.

The interviewers adopt a strategy of deliberate provocation to induce anger, tension and frustration on the applicant to determine his suitability for the job. Questions may be asked abruptly on top of each other. Before the candidate answer first question, another question could be asked. The candidate's personality or behaviour could be bluntly criticized and condemned to provoke his anger. The positions of secretary, public relations officers, police, security position, journalist may demand this kind of stress interview.

3.3.4.6 Problems of Interviewing

Many interview techniques are not reliable instrument for obtaining the best suitable applicant to fill job position and the problem of reliability and validity of the interview technique is prevalent. The repercussion to the organization is disastrous in long run.

Other defects of interview techniques are the problem of stereotyping and hallo effect in conducting interview sessions. Stereotyping is the tendency to hold generalized opinion about a group of people or ethnic group and using this generalized opinion about a group to pass judgment on all the members of the group. For example if you hold an opinion that certain group of people are lazy, you will prejudge any member of the group on that stereotyping opinion even if an individual may not be as you prejudged.

On the other hands, the Halo effect occurs when there is tendency to allow one positive or negative attribute of a candidate to dominate your judgment. For example, if you assume that a first class candidate is suitable for a job position without further probing you are influenced by halo effect of the first impression his school performance has made on you. Employment decision based on halo effect may be disappointing.

3.4 Reference Checks

Reference checks provide ample forum for verifying the information the applicant have issued about themselves. It is designed to find out about the applicants characters in such areas as cooperativeness, dependability, ability, integrity and work attitude. Usually candidates' last school and formal employers and community leaders and those who know the candidate well are expected to provide such information.

However, the recent development whereby most referees give excellent report on the applicants has reduced the reliability of the instrument as a true and honest assessment of the applicant.

3.5 Medical and Physical Examination

Medical examinations are used to determining the soundness of the applicant's health. It usually examine applicant's visions, hearing and other clinical problems so as to avoid medical cost of maintaining sick employee, avoid unnecessary absenteeism, protect the organization against unwarranted claim bylaw, present contamination of other workers. In recent times, HIV cost has become one dominant test in this regard.

3.6 Selection Decision and Offer

Selection is the culmination of all the events that originated from identification of vacant positions for employment to reference checks. Selection is usually the prerogative of the line managers who made request for employment to vacant positions under them

When job offer are to be made, they should state the position offered, the salary attached, nature of appointment and employment conditions and work arrangement.

3.7 Personnel Placement and Orientation

Orientation or induction is the processes by which employees are introduced to their tasks, colleagues, workgroups, supervisors and the organization in general Das (1984) says it facilitate easy adjustment of the new employee into the organization. The main objectives of orientation include reducing employee anxiety in the new environment, to boost employee morale, make them familiar with the job to instill efficiency.

4.0 CONCLUSION

This unit has made you familiar with the intricate activities that constitute selection process like most of manpower administration function; you realized also that selection process is a joint responsibility of line managers and personnel officials.

5.0 SUMMARY

Recruitment and selection are fundamental staffing functions which determine the future manpower quality productivity and success of the organization. This is the reason why stringent process is designed to obtain the most suitable candidate in the organization. The principle guiding recruitment permits indiscriminate mobilization but selection process highly discriminate against in competent applicants to enable the organization obtain the best applicants. Selection should therefore be handled with all seriousness by experienced officers of its centrality in corporate success.

6.0 TUTOR – MARKED ASSIGNMENT

With the aid of a diagram briefly explain the intricate activities of selection process.

7.0 REFERENCES/FURTHER READINGS

Teresa, M. N (1999) Human Resources Management: An introduction, Sofegan Association, Jos.

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UNIT 4 STAFF TRAINING AND DEVELOPMENT

CONTENTS

1.0 INTRODUCTION

Systematic training and development of organization employee is the foundation of efficient and effective utilization and productivity of corporate personnel. To be effective in meeting organization goals of efficiency and increased productivity, cost-effective in operations, training must not be conducted in ad hoc and haphazard manner. It should be a deliberate policy instrument designed to meet training needs of individuals, organization and a technologically changing environment of production.

The training progremmes should be appropriate and adequate to solve corporate training needs arising from the requirements of newcomers, shortfalls in employee performance, organizational change and the individual workers expressed or observed needs.

2.0 OBJECTIVES

After reading through this unit, you should be able to:

- Clearly understand the meaning and nature of training.
- Explain the meaning of the concept "systematic training"
- Known how to plan and implement training programme
- Know different method of staff development
- Be able to evaluate training programme

3.0 MAIN CONTENT

3.1 Definition and Nature of Employee Training and Development

Employee training and development have been defined by different scholars as:

(i) The ways in which specific knowledge and skills necessary to perform specific jobs are taught and learnt (Crawford, 1984). Development implies a parallel process in which people acquire more general abilities and information, but in ways that cannot always be tied directly to a particular task they perform;

(ii) Training is the term used to describe the process through which organization build the skills and abilities of non-managerial employees. Development on the other hands, includes the process by, which managers and executives acquire not only skills and competence in their present jobs, but also capacity for future management tasks of increasing difficulties and scope Mc Farland (1968 Pg 292);

(iii) Training refers to the procedure by which people acquire knowledge and/or skills for definite purpose. Development is not as specific as training; that is, it is more general in application. It is used in relation to the process of helping managerial employee who perform non-routine jobs to improve their managerial, administrative and decision making abilities and competence (Benjako 1998 Pg. 70);

(iv) Training is any learning activity which is directed towards the acquisition of specific knowledge and skills for the purpose of an occupation or task. The focus of training is the job or task, while development is a learning activity which is directed towards future needs rather than present needs, and which is concerned more with career growth than immediate performance. The focus of development tend to be primarily on an organization's future manpower requirement, and secondly on the growth needs of individuals in the workplace. (Cole, G. A. 1998, Pg. 271).

Each of the above definition is self-explanatory and each make the point that training is a learning process which aim at helping employee to acquire basic skills required for efficient execution of the functions for which employee are hired; while development deals with activities undertaken to expose employees to be able to perform additional duties of managerial and administrative nature in the near future. Training efforts are geared toward acquisition of manipulative skills, technical knowledge, problem solving ability and attitudes. While development is designed to prepare employee to assume position of responsibility of supervisory and leadership natures. The two techniques of learning are usually planned by the organization to improve competence level of employee. The third learning method is the education method.

Education method of learning is along term learning activity aimed at preparing individual for a variety of roles in society as citizens, workers, and members of family groups. The focus of education is primary on the individual and his or her needs and secondly on the community as a whole i.e. society's needs. Good example of individual needs are to be literate, the need to be prepared for some occupation, and the need to make the most of ones personal gifts and talents. The society's needs can include the need for respect for law and order, the need for a variety of talents to sustain economic activities and the need to protect itself from external aggression Cole G. A. (1997 Pg. 271). Education technique is usually the responsibility of National, Regimal and Local Governments. The programmes designed to provide some general foundation education on professional courses that may have skill acquisition orientation like vocational programmes as well as manpower developmental programme

Table 3.1: Comparism of principal characteristics of training and development

S/N	CHARACTERISTICS	TRAINING	DEVELOPMENT
1.	Primary target group	Rank and file	Managers and professionals
2.	Usual location	Local	Dispersed
3.	Pay off	Right away or soon	Long term
4.	Application	Current job	Future job
5.	Specifity	Narrow	Broad
6.	Objective	Improved performance	Improve potential

7.	Linkage to performance	Immediate	Distance sometimes uncertain
8.	Number of target employee served at a time	Large	Small
9.	Transferability	Narrow	Broad
10.	Scope	Single level	Across levels.
11.	Variations required	Comparatively uniform	Many special requirements
12.	Duration	Short	Extended
13.	Participant gain or reaction	Sense of competency	Meaningful overview, sense of satisfaction
14.	Anticipated	Specific, definite and measure	General and uncertain and difficult to measure.

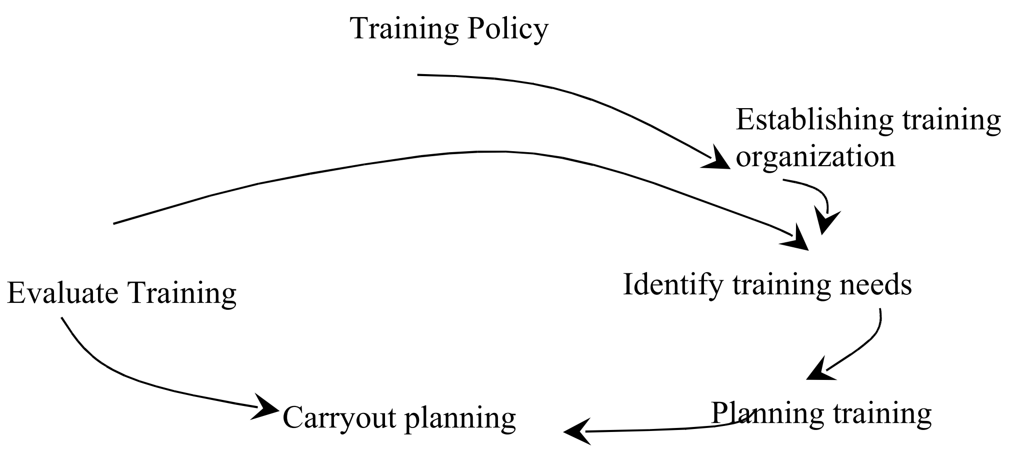
(Adopted from Crawford, 1984 and Folayan O. 1997)

3.2 Systematic Training Policy and Needs Determination

The traditional approach to training and development of staff in organizations is not a systematic one. Training used to be conducted in an adhoc and haphazard ways. No much training need analysis are done before training programmes are designed. Most of the times organizations don't have much information about the contents of the training programmes which used to be designed by public institutions outside the organization to meet the interest of diverse groups in the society. No training evaluation are done in the post training events.

A systematic approach to manpower training stipulates that training of personnel should be a deliberate corporate policy instrument designed with the central goal and objective to guide its programme choice and content packaged to evaluate or solve identified training needs or problems. Cole (1997) stressed that systematic approach to training will generally follow sequence of activities commencing with the establishment of a policy and planned resources to sustained it, followed by an assessment of training provided; and ending with some form of evaluation and feedback. The diagram in figure 3.2 below show the sequence in systematic training cycle.

Figure 3.2 systematic training: the basic cycle



Systematic training cycle demand that conduct of employee training programme be based or emanate from explicit corporate manpower training policy, identified training needs of employee, plan and carry out training programmes and lastly evaluate the effectiveness of training programme. Let us look at each of the activities involved in the cycle.

(i) Training Policy

Training policy of an organization derives from corporate policy. Training policy statements usually set out what the organization is prepared to do in terms of developing its employee. Its statement may be formulated in short, brief goals or in lengthy statements. Such short statement like:
"The company will provide the means to ensure that every employee will be adequately trained in the basic tasks of his/her employment.

(ii) Training Organization

There are three basic ways by which organizations may choose to organize her training programmes. Some organizations conduct their personnel training internally by themselves (e.g. on-the-job-training), while some others use external consultants or institutions like colleges and universities; yet others use a mixture of internal resources and efforts for some skills acquisition and external institutions for manpower development exercises.

(iii) Identification of training needs.

Training needs is defined as any short fall in employee performance or potential performance which can be remedied by appropriate training. Care should be taken to ensure that a particular deficiency actually results from lack of requisiste knowledge, skills and attitude.

Otherwise, if training is designed to remedy other needs related problems such as lack of motivation, needs for job tools or machinery, the result may not solve the problem and may amount to waste of efforts. Training need arises as a result of a gap between the skills and knowledge demands of the job and the present employee level of knowledge, understanding and ability to change to meet the demand of new expectation. This gap can be expressed by a diagrammatic equation called training need equation.

Figure 3.3: the training need equation

Demand of the job		Level of knowledge		
• Knowledge • Understanding • Skills - Manual - Social - Intellectual • Attitudes Demands of change in the organization	Less	Understanding etc Possessed by employee Extent of employee's willingness to adopt	Equal	Training needs

Systematic training require that training need be analysed in the perspectives of:

(1) The organization is corporate requirements
(2) Departmental needs or functions to be performed
(3) The job or occupational group and
(4) The individual employee training needs.

However, it is important to note that the source of individual training needs in the organization is basically two:

(i) The demand of the job consisting of the required improvement in knowledge understanding, skills and attitude and

(ii) Demand for change in organization which entails requisite additional change in the organization (i.e. organizational adoptability to new changes or demand) see figure 3.3 above.

(iv) Training planning, implementation and evaluation

The next step after the training needs determination is the drawing of training plan which contain systematic statement of training intentions and means by which to achieve and measure them. Drawing up training plans consists of activities such as stating programme aims, target groups, programme contents, programme evaluation, administration and cost of training; identification of staff or specialist to conduct the training. These indeed are the joint responsibilities of line managers and the specialist personnel officials.

3.3 Principles of Effective Learning

These are the basic factors or issues to be considered in order to achieve success of any training programme.

(i) **Motivation –** Learning (training) will be interesting and effective if the trainee see that it will enables them meet their desires and needs such as job recognition, prestige and promotion. If training will not help employee to meet their desires on the job, it won't motivate serious learning and it would be seen fruitless effort to the employee.

(ii) **Reinforcement –** This consists of the employee awareness of the positive and negative implication or consequence of efficient performance in training. If employees are aware that they stand to gain certain privileges if they succeed in training or suffer certain deprivation like demotion, stagnation or even demotion, these will reinforce committed performance or participation in training programme.

(iii) **Practice (trainee participation) –** for training programmes to succeed, trainee should be opportuned or exposed to practice methods. Thus, the adage of practice make perfect is relevant here.

(iv) **Feedback (knowledge of result) –** if training programmes are to succeed, trainee should be given feedback about their strengths and weakness so as to enable them improve their participation in training.

(v) **Transfer learning –** the training contents or programme should be such that what is learnt in training is related to the requirement of the job in such away that what is learnt can be transferred or implemented or applied on the job. Transferability of learnt skills make it relevant to the learner.

(vi) **Individual differences –** for training efforts to succeed, it should be adjusted to meet the individual trainee learning pace, even though training is conducted in group, class and session.

(vii) Distribution or spread of training periods – training sessions should be so programmed to allow intervals to enhance learning at certain periods for the convenience of the trainee and learning continuity.

3.4 Methods of Employee Training

Success of training efforts fundamentally depends on the method of training used. Training method refers to the means by which learning contents (consisting of information skills, attitude and feeling) are communicated to learners or trainee. The method of training an organization choose will depend on cost, time available, the number of persons involved, the depth of the required knowledge, and trainee background. Organization managers or executives needs to take not of these factors before choosing a given training method.
Four major of methods of training are:

(i) On-the-job training;
(ii) Classroom training;
(iii) Vestible training;
(iv) Measurement development.

3.4.1 On-the-Job-Training

This is a training method designed to impart knowledge of job/tasks by working under an experience worker or expert, who teaches and advises the trainees on specific methods and technique of doing the job. In Nigeria, learners are sometimes left on their own to watch the masters and learn to practice the skill. This is learning by trial and error or through some casual unsystematically structured training procedure. The four major form of on-the-job-training technique include induction course, coaching (in sport), apprenticeship (in trades learning) and internship (for practical experience and technical learning)

3.4.2 Classroom instruction technique

This training method is usually designed for the purpose of passing on knowledge, factual information in an off-the-job location such as training centers or education, institutions. The emphasis in learning is on developing an understanding of general principles, providing background knowledge and general awareness of comparative ideas.

The techniques used in this method include lectures, case study, role-playing, in-basket technique, programmed instruction and conference.

3.4.3 Vestible Training

This is a practical (laboratory training programme) involving a formalized systematic training designed to train few employees in an environment which look exactly like the actual production or work environment. Here, the trainees uses facilities, equipment and workshops materials normally used in the workplace. Vestible training are replica of the actual work area but, there the emphasis is in learning unlike in the work area emphasis is on production. The methods is used widely to train clerks, typists, bank inspectors, machine operators, like the public service central workshops of yester years and even hair hostess.

Organizations sometimes permit this skills development off-the-job location in order to permit skills to be acquired and practiced in a relatively safe environment where mistakes will not be humiliating or costing. Secondly, organizations prefer to take skills development off-the-job to resist some of the effects of work attitude. This is to enable trainee to learn job skills without necessarily imbibing some bad custom and practices of the work environment. The desire is to acquire trained technician whose way of skills application have universal orientation not environmental constrained value and culture.

3.4.4 Management Development

Tereza Nmadu (1999) stresses that one of the fundamental justification for a planned and systematic management development programme is the complexity of management as a job or functions. Management consists of so many activities, which are characteristically open-ended, fragmented, interpersonal, verbal and action oriented. Thus, a manager's job is all inclusive and its job description cannot be exhaustive. And since managerial talents is determined factor in business success, management development must be structured to meet diverse specific ends or demands of management responsibilities.

3.4.4.1 Methods of Management Development

Management development techniques include supervisory training, coaching, interpersonal relations skills development such as role playing, sensitivity training, structured insight job knowledge etc. organization knowledge acquisition involve or consists of position or job rotation, general knowledge gained through special counseling, special meetings and selection reading.

The most effective techniques of management development programmes geared towards acquisition of relevant experience and talents are through learning by practicing, on-the-job experience usually co-ordinated by guidance from superior and more effective than management education system through acquisition of professional certificate in such colleges and university courses like MBA, PGDPA, PDMS and other professional management courses.

Experiential method involves coaching, guided experience acquisition, mentoring, delegation, project handling, secondment/job rotation, et cetera. Figure 3.4 highlights the key points of these techniques and their advantages.

Figure 3.4 Experimental Methods in Management Development

METHODS	SALIENT FEATURES	ADVANTAGES
Coaching/Guided Experience/Monitoring	Planned involvement of the managers in advising aiding junior manager to develop effective job performance	
Mentoring	Involves discovery learning with support	
Delegation	Manager give specific responsibility and resources, performance measured.	Individual is able to exercise real responsibility for result
Projects	A specific problem or opportunity is worked on by an individual or a team with the object of producing concrete proposals in a given time space	Valuable experience based on doing the job assigned.
Secondment	A manager is assigned to a post in another department or unit for limited period	Tests individuals

Adopted from Cole (1997) personnel management

3.5 Evaluation of Training and Development Programme

Simply put, evaluation means, “to assess the value or worth of something” when applied to training and development, it implies assessing training in terms of its merits, worth, the process and outcome. Hamblin (1970) defines evaluation as any attempt to obtain information (feedback) on the effects of a training programme, and assess the value of the training in the light of that information.

The subject matter of training evaluation is extensive embracing the assessment of trainee, trainers, learning context, the course content, the learning methods employed and the material used in the programme (Cole, 1997). However, the central concern of evaluation centers on getting feedback about a training programme and compare the result of training with the objectives or targets the organization intend to achieve through training.

The criteria for evaluating training programme include the cost of the programme, training results, quality of instruction, effectiveness of the programme, ability to meet company needs, effects on employee attitudes.

3.5.1 Methods of training and development evaluation.

For analytical purpose, we shall categorize evaluation methods into three (3) basic types:

(a) Process or activity assessment
(b) Outcome evaluation, and
(c) Cost benefit analysis

3.5.1.1Process Evaluation

Process evaluation is done by obtaining information through interviewing participants (i.e. opinion survey) examination of training materials, observation of training in progress and the use of feedback questionnaire completed by participants (Folayan, 1997)

3.5.1.2 Outcome Evaluation

The outcome evaluation examines the impact of training on participant performance, attitude and skills or improved knowledge. The method require information about performance level so as to compare the significant different. To be more effective, there may be need for a control group who will not be exposed to training, so as to determine whether it is training that actually led to higher performance

3.5.1.3Cost – Benefit Analysis

This evaluation technique is based upon comparing the financial cost, (Naira value) of training to the actual value of benefit (actual or potential) accruable from training to the organization. The benefit may be in terms of increased efficiency and productivity of the employee and the resulting profitability and business strength.

4.0 CONCLUSION

We have explored the concept and process of systematic employee training and development as essential management functions that determine the extent of organization performance, competence and ability to cope with dynamic forces of completion in business environment. We also noted that systematic training process is a comprehensive training cycle built on deliberate human resources development policy, training needs determination, planning training programmes, implementing and evaluating training programmes.

5.0 SUMMARY

Training and development we realized are techniques for acquisition of basic skills required to perform task and development was seen as an attempt to improve management effectiveness through planned and deliberate learning through experience acquisition process. The common learning technique are on-the-job and off-the-job location learning through coaching, apprenticeship, under study, mentoring, classroom lectures and other techniques highlighted in this unit.

6.0 TUTOR – MARKED ASSESSMENT

Discuss the major elements of systematic manpower training and development process.

7.0 REFERENCES/FURTHER READINGS

Tyagi, A. R. (1975) Public Administration: principles and practices, Atma Ram, new Delhi, India.

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UNIT 5 EMPLOYEE PERFORMANCE APPRAISAL I

CONTENTS

1.0 INTRODUCTION

Performance Appraisal provides a rational medium or instrument for measuring individual worker contributions to corporate goal achievement and success. It is a complex management function which demand for extra-maturity, fairness and objectivity in assessing individual worker job performance based on explicit job-related criteria. Appraisal results provided vital information about a worker's strength and weaknesses, training needs and reward plan such as advancement, promotion, pay increase, demotion and work or performance improvement plans.

2.0 OBJECTIVES

After studying this unit, you should be able to:

- Understand the meaning and purpose of performance appraisal

- identify kinds of appraisals
- Know qualities of effective appraisal system
- Understand principles of effective appraisal system

3.0 MAIN CONTENT

3.1 Definition and Meaning of Performance Appraisal

Performance appraisal, which used to be known as merit rating has so many new names such as performance review, personnel review, employee appraisal, service rating, performance evaluation, or efficiency report. Whatever name used, it is defined as:

(i) The systematic evaluation of the individual with respect to his performance on the job and his potential for development. (Beach, 1980);

(ii) The process of collecting, analyzing and evaluating data relative to behaviours and results of individuals. It includes periodically assessing as promotion, pay increase, demotion or development of specific plan for work improvement and training.

3.2 Types of Appraisals

There are two basic categories of appraisals. The formal and the informal appraisals. Formal appraisal is the official assessment of employee output conducted systematically based on explicit job-related standard criteria by the superior officer. The informal assessment is a casual ad-hoc assessment based mainly on the boss's intuitive feelings and not based on factual evidence of result. It could be highly sentimental and subjective.

3.3 Rationale for Performance Appraisal

Performance appraisal is an essential instrument of personnel management designed to serve the following purposes:

1. To identify an individual employee's current level of job performance.
2. To identify employee strengths and weakness.
3. To enable employees improve their performances.
4. To provide a basis for rewarding or panelizing employee in relation to the contribution or lack of adequate contribution to corporate goal.
5. To motivate higher performance
6. To identify training and development needs.

7. To identify potential performance
8. To provide information for succession planning.
9. To validate selection process and training programme
10. To encourage supervisory understanding of the subordinates

3.4 Who should Appraise Employee Performance?

Traditionally, performance rating used to be the sole responsibility of the immediate senior officer or head of section or department. Recent development indicates that employee performance appraisals are undertaken in seven basic ways which include:

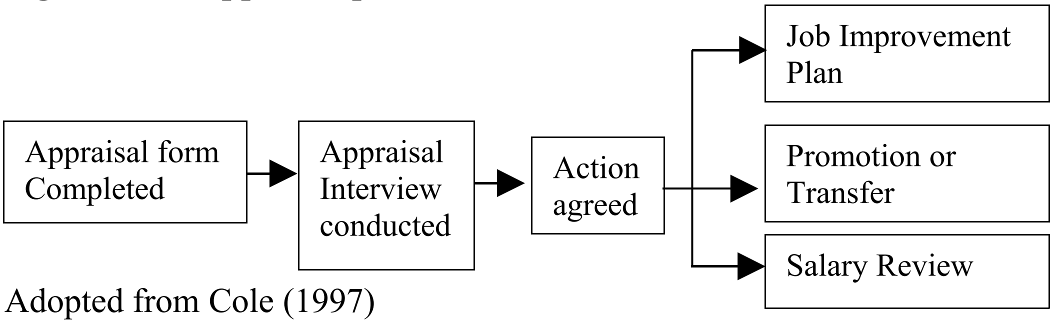
(i) Rating of subordinate by superior officer called superior rating;
(ii) Rating done by employee of equal rank called peer rating
(iii) Rating of a senior officer by employee of junior rank called subordinate rating;
(iv) Committee rating usually conducted by a group of senior officials of organization on an employee.
(v) Self-appraisal is done by the employee himself on his own performance based on agreed standard of performance;
(vi) Users of service rating is conducted by the customers or consumers of organizations product or service and lastly
(vii) Contract rating is done by experts assigned by the organization management to conduct employee performance on contract basis and on behave of the organization management

3.5 Performance Appraisal Process

Performance appraisal process is made up of series of interconnected activities that constitute the appraisal system. The process commences with the filling of appraisal form called Annual Performance Evaluation Report (APER) form in Nigeria civil service. After the employee has filled and forwarded the form to the boss or manager or head of the department, the assessment is made and the boss invite the subordinates for post appraisal interview which allow the ratee and the rater to reach an agreement on the result of the appraisal.

The process always ends in employee job improvement plans or promotion to another level or higher position and or salary increases.

Figure 5.1: Appraisal process



Adopted from Cole (1997)

3.6 Qualities of Effective Appraisal System

For an appraisal system and instrument to achieve successful measurement of employee performance, it should fulfill the following conditions:

3.6.1 Reliability and Validity

A good appraisal system should be reliable and valid. An appraisal system is said to be reliable if several ratings by one person produces similar results or if two different experienced raters obtain similar rating scores on one employee. An appraisal technique is valid when it appraises exactly what it is designed to measure.

3.6.2 Determining performance criteria

An effective appraisal system specify what to measure in the appraisal form such as quality and quantity of output, services and requisite job behaviour, talents and attitudes. Different jobs should have different performance measurement criteria. Care must be taken not to use one system of criteria for measuring performance of different professions and skill like in the civil service where APER form is used as the standard criteria to measure all jobs in the service whether applicable or not, assessment just have to be made.

However, some organizations in the civil service have made concerted efforts to design APER forms that should measure job-related performances of their agencies. Those who have not improve their appraisal instrument should do so in the interest of validity and relevance of measuring instrument.

3.6.3 Standardization

A good appraisal system should establish precise and concise standards such as the forms, procedure and administrative technique to conduct employee appraisal accurately measure job-related performance.

3.6.4 Practical Validity

The appraisal instrument (form) and system should be applicable to measure wide ranging group of jobs and skills, easy to administer, cost effective and effective.

3.6.5 Legal Sanction

The appraisal principles and practices should conform with the legal provisions of every country. The principle of general acceptability of the performance measuring techniques and instruments.

3.6.6 Training of Appraisers.

Since appraisal is a veritable element of personnel management, care should be taken to ensure that the officials assigned to do them have adequate knowledge of the rationale for appraisal and possess adequate knowledge of the subordinate job contents, and have acquired requisite experience to handle appraisals and in conducting appraisal interviews.

3.6.7 Open Communication

A good appraisal system ensures that employees are made conversant or aware of expected work-place behaviour or performance standards or levels. Also, the result of the rating should be openly discussed with the subordinate who should be allowed to ask questions regarding the rating criteria used and the result. This implies that the open system of appraisal where subordinate are shown the rating score and told who the result is obtained is more preferred to the secrete appraisal system where the boss assess and forward result to top management where decisions are taken without the consent of the employee.

3.6.8 Post – Appraisal Interview

A good appraisal system consist of post appraisal interview which grant the employee opportunity to contact the assessors and find out their errors, deficiencies, and strength so as to know the performance level expected of them.

3.6.9 Due Process

A standard appraisal system should establish a formal procedure for employees to register their grievances in situations of in accurate or unfair assessment made on them by their superior officers.
These indeed are comprehensive factors to be put into consideration in establishing effective appraisal system in organizations.

3.7 Guiding Principles for effective appraisal system

Beach (1980) and Tereza (1999) outline eight principles that can guide supervisors to effectively carryout employee appraisal in private and public organizations. The principles include:

(i) Insure to obtain solid and current facts about a given work performance and behaviours expected of employees on the job;

(ii) Learn how to measure programme and operation performance based on accurate standard;

(iii) Ensure that each job contribute to organization goals and objectives;

(iv) Employee performance standard should be jointly set by supervisors and subordinates or subordinate made aware of these standards in case they can't participate in evaluation standard setting;

(v) Put in place a system that allow individual employee to grow and develop concurrently with corporate productivity improvement;

(vi) Assessors should adopt a positive attitude in appraising subordinates instead of a persistently negative and denigrating attitude. Appraiser should be supportive;

(vii) Ensure that all the staff on supervisory rank have a good working knowledge of activities, process and instruments of appraisal;

(viii) There should be a clear link between appraisals and corporate compensation system.

3.8 Underlying principles of appraisal methods.

Before we proceed to discuss various methods of appraisal in unit 6, let us first examine the basic principles underlying each of the methods or techniques of appraisal.

(i) Appraisals are usually conducted by comparing employee performance against corporate established standard of performance expected of each personnel on a job. Standard can consist of numerical scales such as rating scale and checklist. See unit 6;

(ii) Interpersonal Comparism – some appraisals are done by comparing performances of individual employees. The underlying principles were is to rank an employee (rate) based on a general performance standard which are usually written or stated clearly.

(iii) Goal Setting – Here, such rate's performance is compared against the standard he has set and agreed to accomplish himself. This is the principle underlying management by objective as an appraisal technique.

4.0 CONCLUSION

You have been introduced to the concepts, rationale process, principle and general background of employee performance appraisal as a vital instrument for measuring and improving employee performance. The next unit 6 will expose you to various methods of appraisal.

5.0 SUMMARY

This unit focuses on definitions, types, rationale, process, kinds and qualities of effective appraisal system. These topics provided you with a sound background of the appraisal system.

6.0 TUTOR-MARKED ASSIGNMENT

Explain the various features of an effective appraisal system.

7.0 REFERENCES/FURTHER READINGS

Cole, G. A. (1997) personnel management, 4th Edition letts Educational, long

MODULE 2

UNIT 1 EMPLOYEE PERFORMANCE APPRAISAL II

CONTENTS

1.0 INTRODUCTION

Employee performance appraisal needs to measure as accurate as possible the individual staff contribution to corporate success. Effectiveness of an appraisal system is a function of valid method or instrument of appraisal. Validity of appraisal depends largely upon the efficiency of the measuring technique and the experience of the appraisal. Different jobs may demand for different measurement techniques. However, to be cost-effective, a method an organization chooses should be suitable for a wide ranging categories of jobs in the organization. Generally, appraisals are conducted on the basis of comparing individual's contribution on the job to the agreed set performance standard, interpersonal comparism and comparing individual performance to self-imposed targets.

2.0 OBJECTIVES

After reading this unit, you should be able to:

- Understand the diverse methods of employee performance appraisal
- Identify human errors usually committed or associated with the process of employee performance appraisal
- Understand the significance and process of conducting post-appraisal interviews

3.0 MAIN CONTENT

3.1 Methods and Techniques of Employee Appraisal

The major methods of performance appraisal are discussed below:

3.1.1 Graphic Rating Technique

This is the oldest and the most commonly used appraisal method known as the conventional rating scale techniques. The rating is usually done by the immediate supervisor of an employee in an officially prepared form, which usually contain traits and characteristics to be rated.

In conventional practice, different categories of employees should be rated using different form bearing distinctive standards or criteria of expected performance. For non-supervisory class or cadre of workers, rating should be on the quantity, qualify of work, Job knowledge, cooperativeness, depended ability, initiative, industriousness and attitude. For managerial personnel, typical factors to consider in rating are analytical judgment, leadership, creative ability, initiative, knowledge of work and emotional stability. (Beach, 1980 P. 296). The Graphic rating technique of appraisal is the method widely used indiscriminately to appraise performance of the entire employee in the service irrespective of the nature of the performance expectation of different jobs. The system called annual performance Evaluation report is an annual event filled by the superior officers annually for each employee.

To measure employee efforts at work, performance in each of the above mentioned traits is given certain points say 1, 2, 3, 4, 5 and the points score of employee under each trait are added to give the overall employee performance and rank. This technique's major advantages are its relative low-cost to design and simplicity, which permit appraisal of many works. This singular factor makes it popular with civil service organizations.

The techniques major disadvantages include

(i) The use of subjective criteria of judgment such as cooperative, personality, attitude, and judgment when management concern should be on employee job performance;

(ii) The numerical scoring create the impression (illusion) of precism, which is not really there;

(iii) The scale is subjected to errors of halo effects, leniency or strictness, central tendency and interpersonal bias. All these will be discussed under "problems of appraisals in section 3.2.1

	Ratings				
	1	2	3	4	5
	Poor	Below average	Average	Good	Excellent
(1) Qualification (2) Initiative (3) Judgment (4) Dependency (5) Leadership quality					

Adopted from Folayan 1997

3.1.2 Rank Order Method

This is an appraisal system that uses interpersonal comparison to rank or determine the level of an employee's performance. Initially the employees are all rated based on global standard and their performance are then compared to determine individual employee rank in the continuum of the best or the worst performance.

To conduct this system of interpersonal comparism called ranking order, the rater (or Supervisor) first find the two employee with the best and the worst performances respectively. The name of the employee with the best performance is recorded on the first line of column 1 (numbered 1) while that of the worst performance is recorded at the bottom of column II on the last number 20 below. After establishing this polar ranking columns, the rater continued to select the next highest and the next lowest until all the employee are fixed into performance ranking scale.

Figure 6.2.: Ranking Scale

Column 1 (Best)	Column II (Worst)
1	11
2	12
3	13
4	14
5	15
6	16
7	17
8	18
9	19
10	20

The main problem with this system of appraisal is that the relative performance between two employee tend to be unclear and obscure.

3.1.3 Paired Comparison

This is another system of interpersonal comparison designed to determine the rank of individual employee. It is also known as man-to-man comparison because the techniques require the comparison of each employee with every other employee. In this way, an employee's standing in the final rank order list is based upon the number of times he is chosen over other individual in all the paired comparison.

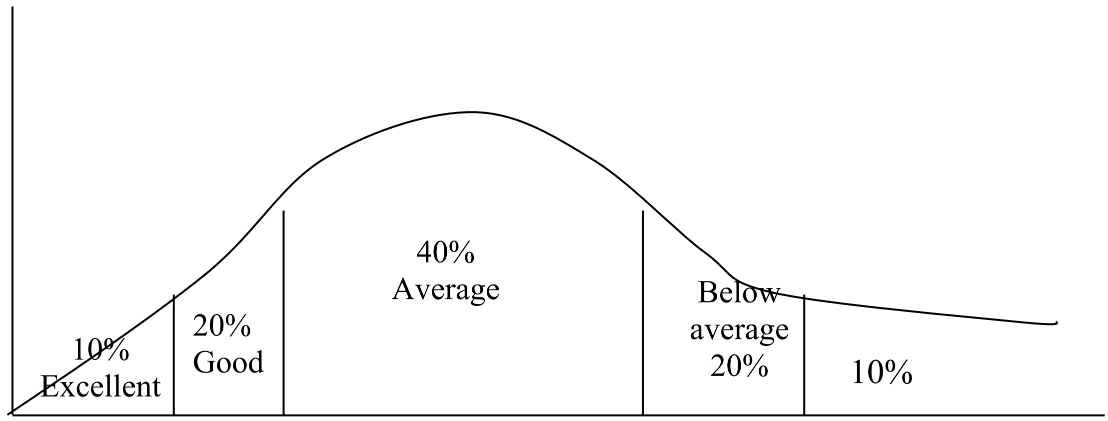
The problem of this technique is that it does not establish standard of performance, nor does it consider specific component of behaviour. It does not also indicate the degree of difference between persons on the rank scale.

3.1.4 Forced Distribution

Forced distribution technique is designed to correct the usual supervisor's attitude of ranking the subordinate at high or middle of the scale, thereby clustering majority of the employee at either higher rank or middle of the scale. It is a habit or behaviour that portrays arbitrary rating.

To correct this mistake or error of central tendency, forced distribution is designed in such a way that requires the rater to distribute his rating in a pattern to conform with normal frequency distribution. For example, supervisors are expected to allocate 10 percent of the rates to the highest performance category, 20 percent to the next highest performance, 40 percent to the middle range performance, 20 percent to average performance and 10 percent to lowest performance (unsatisfactory performance) level.

Figure 6.3 Forced Distribution and a normal curve



Beach (1980) criticizes this technique of being obscure and that it will be a coincidence if actual distribution of performance in an organization conforms to a normal curve. In fact, his last comment on the technique is that it is based on questionable reasoning.

3.1.5 Checklist Methods

Using this method to measure employee performance, a list of statements describing behaviour characteristics and performance rank of employee are given to the rater to indicate the most likely and the least likely behaviour characteristics of the employee on the job. There are three form of checklist methods, which include (i) simple checklist (ii) weighted checklist and (iii) forced choice method

3.1.5.1 Simple Checklist Method

In this version of checklist a number of statements about employee behaviour on the job are prepared and presented to the rater to indicate where the behaviour of the employee being rated conform (i.e. is positive to the statement or failed to conform (i.e. is negative) to the statements. The employee's performance is rated on the numbers of times the employee behaviour conforms or is positive i.e. the positive check scores of employees.

Figure 6.4 Checklist of Qualities

NDANUMA CERAMIC COMPANY PLC PERFORMANCE APPRAISAL FORM

Name of Employee ____
Resignation ____
Department ____
Raters Name ____

	Checklist of Qualities	**Behaviour**
i.	Is the employee punctual at work?	Yes/No
ii.	Does the employee cooperate with other employees?	Yes/No
iii.	Does he/she treat customers with courtesy?	Yes/No
iv.	Is the employee always ready to do extra-work when required	Yes/No
v.	Does the employee complete his work on time?	Yes/No
vi.	Does the employee make frequent errors?	Yes/No
vii.	Is the employee sincere and dependable ?	Yes/No
viii.	Can the employee work without supervision?	Yes/No

3.1.5.2 Weighed Checklist

Here too, a list of descriptive statements about a typical employee behaviour at work are prepared, but this time, each statement has a weight or score attached to it. The weight indicate the relative importance of the behaviour in the performance of specific jobs. The weight are not presented on the rating form, only the staff of personnel unit know the weight of each descriptive statement about employee behaviour.

The problem of this system is basically on its in applicability on diverse jobs. It demands for different format for different cadres of work. In fact, when changes occur based on growth and development on the same job family, the rating standard becomes irrelevant.

Figure 6.5: Weighted Checklist Method

1	2	3	4
Checklist of Qualities	Weight	Performance rating (1-5)	Score
1. Attendance 2. Job knowledge 3. Dependability 4. Customer courtesy 5. Loyalty to company policies 6. Ability to learn 7. Ability to get along with others 8. Quantity of work 9. Quality of work 10. Leadership potential	1.0 2.0 1.5 2.5 1.5 2.0 2.0 1.0 2.5 1.5	Poor, below average, average, above average	Excellent

3.1.5.3 Forced Choice

In forced choice method, the rater is expected to choose two out of the four statement the employee is "most like" and one that the employee is "least like". The pairs of four behaviour descriptive statements are usually a mixture of two positive statements. The weight of these checklists of statement is not known to the rater. Out of the two positive statements only one statement describe the characteristic of high performance and if it is found to conform with employee behaviour at work, the employee scores higher mark. On the other hands, if one of the two negative statements is picked as being least descriptive of the employee, the employee gets plus score.

This system is said to have enjoyed validity and thus correct the biases of graphic rating but organization have refused to apply the technique because it is expensive to apply or install. It is important to note that the score of the rating is not usually disclosed to the supervisor, personnel unit keep the secret.

3.1.6 The Essay form of Appraisal

This is an appraisal method whereby the supervisor writes short essay describing each employee's performance during the rating period. Sometimes a format is prepared with headings under, which supervisor provides relevant comments. However, the rater is not restricted to any format.

3.1.7 Critical Incidence

This is a method whereby the supervisor continuously record subordinate performance throughout the rating period. The supervisor or manager form the habit of recording both high and low performance of the employee whenever, something wonderful (critical) happens, its record is taken down by the manager. The problem with this method is that the supervisor's recordings may likely be seen by the subordinate as the black book not an objective records or measure of the performances overtime.

3.2 Human Errors or (problems) in Efficiency Rating

All the above discussed techniques of employee performance appraisal are subjected to certain human evaluative errors, which usually distort merit rating and job evaluation. The common errors or problems of appraisals are

3.2.1 The Problem of Reliability and Validity

An appraisal instrument or method is said to be reliable if repeated measurement of performance of one individual produces similar results and. A valid appraisal method is the one that measure accurately what it is designed to measure. Factors that determine or influences reliability of appraisal method or technique are the competence of the supervisors that rate subordinates, the condition under which the appraisal was conducted and criteria being used to assess performance: is it job related or infinitive judgment of the boss based on subjective opinions. On the other hands, an appraisal method's validity depend largely on how accurate the method is in measuring job performance of the employee.

3.2.2 Leniency and Strictness

A common human error committed by most appraisers is the tendency to be too lenient to the subordinate and consequently score them high knowing that appraisal results are to be increases the pay. Some raters (Supervisors) that do not fall into the leniency trap tend to be too strict and hence assess their subordinate law. These two polar trends in rater behaviour are due to supervisor's subjectivity.

3.2.3 Halo Effect

The tendency of most supervisors (raters) to allow their judgment (rating) of the proceeding factor in the assessment form to influence the rating of the following factors is called “halo effect”. This can also manifest when rating scores of one subordinate is allowed to influence the rating score of the subordinate that follow.

To avoid this problem, supervisors should rate all the subordinates on one single factor, one after the other before proceeding to the net factor.

3.2.4 Control

Because some raters (supervisors) don’t want to be accused by other managers of either being too lenient by awarding higher scores to subordinate or being too strict by awarding low marks, they tend to rate most of their subordinate along the middle course, neither condemning them nor praising them of higher performance.

3.2.5 Recency Effect

This human error in appraisal manifest when a supervisor allow recent behaviour of subordinate to influence and determine the rating weight or score of the past (Previous) behaviour at work, which might have escaped from his memory. This problem occurs if supervisors don’t assess the subordinates on a continuous basis throughout the evaluation period but instead conduct the appraisals at the end of the period. In fact, in civil service, this attitude is more prevalent and sometimes the annual performance evaluation (APER) forms of three consecutive years are filled in a moment at the end of the third year. Here, appraisal is thereby a customary event before promotion exercise.

3.2.6 Bias

Most appraisals suffer this human error and a lot of performance rater’s judgments are based on emotional, prejudice and subjective factors. When a supervisor or rater like or dislike a subordinate it often affect his assessment of the subordinate performance scores.

3.3. Management by Objectives (MBO)

MBO is a participate management technique invented by peter Drucker (1954) and popularized by George Ordione and Douglas MC Gregor (1960). As a participative management technique, the system allow subordinates and supervisors of units to jointly determine the objectives (qualitative and quantitative targets) of the organisation along with the requisite performance measurement criteria. Since both the supervisor and subordinates participate in goal setting, they are both motivated to work toward this goal fulfillment. They don't need an external appraisal to tell them whether they are meeting the targets or not. They are collectively self-aware of their responsibility to goal fulfillment.

Conceptually, MBO is a management device, which places emphasis on decentralization of the entire management process involving planning, decision making, programmes implementations (operations) and performance evaluation. It is a new philosophy of management, which de-emphasizes the role of central planning and control of corporate operations. Instead of central control and supervision of corporate plans and programmes implementation, the MBO favour a decentralized management process where supervisors and subordinate jointly determine corporate goals, objectives, operations and performance appraisal based on these agreed joint objectives and targets. Thus, MBO is a participatory management style embedded with self-appraisal system.

This is the reason why many scholars believe that MBO is basically an appraisal technically. To some extent they could be right, but the truth is that MBO is an alternative management style to management by control orchestrated by Douglas MC Gregor's theory X. Like theory Y, MBO build so much confidence in the subordinate's ability to plan, execute and evaluate their own performance without strict supervision and control but with the support of the supervisor.

The MBO system consist of three important elements:

(a) Goal Setting: The goals should be objective and measurable if possible, if not, they should be consistent with corporate objectives;

(b) Collective participation in Decision-making: MBO programmes in principles permit subordinate to set goals either by themselves or jointly with their superiors, thus facilitating internalized motivation;

(c) Performance Appraisal: MBO system is embedded with performance appraisal, which is self-evaluation by both sub-ordinate and supervisor against established standards or criteria jointly set to guide their operations. Usually the atmosphere in an MBO environment is less authoritative or punitive and therefore arouses less anxiety than the conventional management style of control by supervision and appraisal by the supervisor who behave more like a boss than partner in progress. In an MBO system, the supervisor (Boss) becomes less of a judge and more of a coach. The concern of a supportive supervisor is not criticism on previous performance failures but on how errors made last period can be corrected.

MBO process is a to-way traffic. Both, the subordinate's performance and the relationship between the boss and the subordinates are reviewed. In fact Beach (1980) concludes that the major goals of MBO system are to enhance the superior-subordinate relationship, strengthen the motivational climate, and improve performance.

3.4 Post Appraisal Interviews

It is also known as feedback interview or performance interview. The appraisal interview is a feedback forum for discussing with the employee the results of the appraisals. Cole (1997) defines it as the formal face-to-face meeting between the jobholder and his manager, at which the information on the appraisal form is discussed and after which certain key decisions are made concerning salary, promotion and training.

3.4.1 Purpose of Appraisal Interview

As an essential follow-up of performance evaluation, appraisal interview provide ample opportunity to communicate to the employee the result (feedback on appraisal) and ways by which employee's performance can be enhanced. However, the major purpose or objectives of appraisal interview should include the following:

(i) To provide feedback on job performance to employee;

(ii) To help employees do a better job by clarifying what is expected of them (e.g. encouraging them to uphold present behaviour or advising them to change work behaviour for a better one);

(iii) To plan opportunities for development and growth by helping to identify specific training programmes to meet identified employee training needs;

(iv) To improve superior-subordinate working relation and communication;

(v) To identify potential performance and possibilities for promotion or transfer.

(Rao and Rao 1996, Cole 1997, Folayan 1997)

3.4.2. Traditional Approach to appraisal Interview

The traditional approaches for conducting appraisal in corporate entities are presented as follows:

Firstly, the manager supervisor or head of department invite his employees one after the other for the interview. Each employee prepare his mind to hear, to conduct the interview session in a diplomatic manner ensuring not to upset, offend or antagonize the supervisor.

The supervisor start the interview session with a warm welcome of the employees followed by a casual and friendly discussions or chat on weather changes, national events like sports, local and national politics. All these are designed to make the employee feel at home.
The boss them proceed to commend the employee on success he recorded in the appraisal he has just conducted and he may ask him to express his opinions on what he feel is responsible or contribute to such wonderful performance success.

The supervisor then tactically tells the subordinate about his weakness and failure on the job and may also ask him to explain the causes of such blatant failure records.

Lastly, the supervisor explain what steps he feels need be taken to improve subordinate performance and could even ask the employee to suggest ways that could best help to improve his performance on the job.

The above five-step strategy to appraisal interview look diplomatic enough but there are higher tendencies among supervisors, especially in public service, to abuse the process and resort to unnecessary criticisms, judgments and sometimes outright condemnation of employees. This is why appraisal interviews require experienced supervisors to have good knowledge of subordinate jobs and necessary behaviour in conducting appraisal interviews. The supervisor should be supportive and encourages subordinate to improve performance.

3.4.3 Weakness of the Traditional Approach to Appraisal Interview

(i) The traditional approach put the subordinate or employee (rate) at the defensive and he is cornered on a hot seat to defend his failures, which are being hammered by the boss;

(ii) Most supervisors resort to bitter criticisms on subordinate performance and behaviour at work. Bitter criticisms threaten the employee's integrity and challenge his self-esteem. The boss becomes a god like figure judging and condemning his subordinates;

(iii) Large portions of criticisms on employees tend to border on social factors (i.e. personality traits) that may not have direct bearing on the employees's job performance. The boss may for example criticize subordinate's personality or mannarism or looks which may not have significant impact on job performance ability;

(iv) The traditional approach may not be pleasant for both the supervisor and subordinates. This is because, the subordinate may disagree with the boss's criticism and may react by firing back to protect his integrity and self-esteem is being eroded by the boss;

(v) The system may create subdued and complacent employees. Gentle employees who fear the implications of firing back at the boss may not react but would remain aggrieved, antagonized and demoralized by the boss's criticisms. This will have negative impact on the productivity of the employees

3.4.4 Effective strategy for Appraisal Interview

- Like in the preliminary steps of the traditional approach above, the boss may begin in a friendly, casual and intimate atmosphere before proceeding to the real business gradually and with uttermost courtesy;

- The supervisor should know that he is expected to coach and counsel the subordinates;

- Adopt a dynamic approach to the interview. The style of the interview should be determined by the situation, the nature of job, the persons and the goals of the enterprise to be accomplished. The style to adopt with new employee may differ with that of older employees;

- The appraisal of the new employee should be on a continuous basis. As a matter of fact, appraisal of all categories of staff should be on a continuous basis. However, the supervisor should periodically follow-up the performance of new employees so as to identify their problem areas on the job and offer necessary help on work methods, teaching them other aspects of the jobs. The Boss should guide and mould them to organisation standards. This will reduce the rate of mistakes and failures on the job. With this coaching at the backgrounds, the employees are likely to accept the supervisor's criticisms on the job performance in good faith;

- The boss should establish good rapport and work relationship with older employees prior to appraisal interview period. The success of appraisal interview with older workers depends largely on the kind of interpersonal relations the supervisor has established with the subordinate before appraisal interview. The boss should have built confidence and trust-in his subordinates. The employee should know that the boss is for them not against them. They need to enjoy the boss's support;

- The appraisal session should concentrate on result rather than personality traits criticisms.

4.0 CONCLUSION

Effective appraisal methods provide management with a reliable and valid instrument for measuring employee performances and contributions to corporate success. Although the graphic rating system remains the most popular method in both private and public sector organizations, it is bedeviled with diverse errors, which other techniques have sought to remedy. For a success in appraisal exercise, the process should however allow post-appraisal interview so as to grant both the subordinate and the boss opportunity to discuss ways to improve performance on the job in order to enhance corporate goal achievement.

5.0 SUMMARY

This unit has highlighted diverse methods of appraisals and their problems and ways to make them more result-oriented. You have also learnt about many forms of human errors associated with the various appraisal methods and also learnt about the MBO system, which provide alternative system of management embedded with self-appraisal device. At the end of the unit, the significance of post-appraisal interview has been highlighted

6.0 TUTOR-MARKET ASSESSMENT

Discuss five major human errors (problems) associated with efficiency rating techniques.

7.0 REFERENCES/FURTHER READINGS

Folayan O. (1997) Personnel Management: Thories and issues, Allied emant company, Lagos.

UNIT 2 EMPLOYEE MOVEMENT IN AND OUT OF THE ORGANIZATION

CONTENTS

1.0 INTRODUCTION

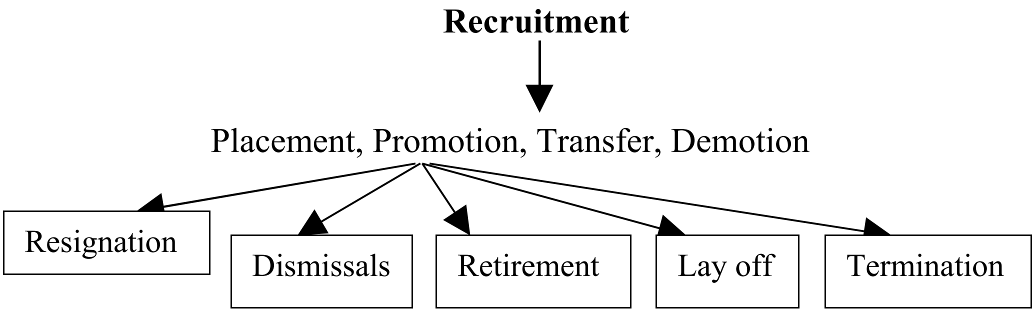
The central goal of every efficient personnel system is the proper utilization of corporate human resources to achieve predetermined goal of improved productivity and profit maximization. Efficient utilization of organization's human resources demands that employees are shifted from one job position to another vertically through promotions and demotion and horizontally through transfers or redeployment within the organization.

Employee movement could be from units or jobs where human resources needs are less to where the needs are higher as in the case of transfers and redeployments. The movement could be from jobs of lower status and responsibility to the higher status jobs as in the case of promotions. It could even be from higher level jobs to lower status jobs as in the case of demotions resulting from either redundancies or redeployment problem or due to some reasons of in competencies or disciplinary actions.

In some extreme cases employees would need to move or be moved out of the organization due to incompetence problems associated with either old age or ill-health.

Personnel system has made provisions for employees who can no longer perform efficiently to leave the organization through various exit doors such as resignation, retirement, retrenchment, termination, dismissals, lay off and other severance methods such as rationalization, downsizing and other several diplomatic method of separating employees from their jobs.

Figure 7.1 Staff movement IN and OUT of organizations.



2.0 OBJECTIVES

By the end of this unit you should be able to:

- Know ways organizations shift personnel in organizations to achieve optimum utilization of available labour force.
- Discuss circumstances that may demand for utilization of different policy instrument of manpower movement in an organization.
- Explain each of the manpower shifting strategies designed for efficient human resources utilization and productivity.

3.0 MAIN CONTENT

3.1 Meaning of Promotion

3.1.1 Nature and imperative of promotion systems

The nature of promotion or career ladder depends largely upon the peculiar characteristics of the jobs it entails and the technology involved. Thus, to design an effective career or promotion ladder, organization management should take stock of jobs and family of jobs skills required to enable employee move success fully a long the chosen

career path from the entry point to the highest position on the career ladder.
Since career path or promotional ladder is concerned with the determination of how employee should normally progress from one jobs position to another along a chosen career line, corporate management is faced with the crucial policy decision of putting in place efficient promotion programmes. Some important policy issues that need to be considered before promotions are designed are:

(i) Should the organization fill vacant positions in the organization primarily by employees within the organization or hire directly from labour market?

(ii) Should the organization grant increase pay at the time a person is promoted or not? Beach (1980) opines that if promotions are to be incentive for improved performance on present assignments, there must be some financial reward attached to deserving individuals;

(iii) Organization should prepare clear channels of movement (promotion levels) for different career line along which employees must pass to actualize their aspiration in a career;

(iv) Ensure that selections for promotion are based on performance appraisal scores or results.

3.2 Kinds of Promotion Systems

There are two basic kinds of career systems namely:

(i) The rank-in-the-job systems and
(ii) The rank in the person system

The concept the rank-in-the job implies that in this system of career ladder, the content of the job, the level of skill, effort and responsibility determines pay classification and a place in the hierarchy of jobs. In this system, promotion entails movement from the present job to one of greater demands and responsibility. In some cases a person can earn more money while retaining his present job. In this system, the minimum and maximum pay allowed for a position are set by the job evaluation and pay grade system.

The rank-in-person otherwise known as the rank-in-corps or rank in individual system is a career system, which is more tie to the person than the job. In this system, the position levels in the career ladder are dependent more upon the level of skills and performance of the professional in both private and government employments especially for university, polytechnics and colleges lecturers. The hierarchy of jobs titles in this kind of career ladder includes assistant lecturer, lecturer II and I, senior lecturer, principal lecturer, Associate professor and professor. Etc. Each of these differing promotion titles, represent the degree of proficiency than differences in basic job content. In actual practice, occupiers of these different positions perform the same job of lecturing. Although to a certain extents in the higher levels where the jobs may become more complex and differ significantly with that of the ranks below, this promotion system will resemble the rank-in-the job system.

3.3 Types of Career Ladders

Different Institutions develop distinct or related career ladder (path) for different category of professions. Relevant examples are:

(i) In police force, everyone was expected to start at the bottom of the career as a recruit (or a rookie) and move up. There has however been a recent effort to bring in university graduates at the higher status of police force, "entering as Assistant superintendent of police (ASP)". Thus, the police exhibit a semi-unilinear career path;

(ii) The military traditionally has two career ladder systems. Enlisted personnel (recruit) start as privates and advance as high as warrant officers. Officers start as second lieutenants and may end their career as generals or Admirals. However, there has been increasing opportunities (though very difficult) in recent years for enlistees to become officers;

(iii) Hospital or medical career exhibit a more distinct and rigit caste-like career system. Nurses aids rarely become nurses (unless they quit the jobs and receives nursing training), nurses may aspires to be head nurses or even superintendent of nurses but may never become Doctors no matter their level of experiences in the jobs;

(iv) In a typical industry or public service organisations, there could exist divergent career paths such as:

   (a) Manual workers hired into unskilled jobs and may be promoted on the bases of seniority to higher paying or assembly and machine tending positions or jobs;

   (b) Skilled tradesmen often start as apprentices or helper and may move up to craft classification;

(c) Clerical employees may move from stenographer to receptionist, to secretary and perhaps to executive and administrative cadre;

(d) Managers often start as trainees of assistant supervisor and can of course move to top management level (although most will not). Often there are separate ladders for sales, finance, engineering but all these may converge from the last few steps in the upper management.

3.4 Qualities of a Good Promotion Path (Ladder)

A good promotion or career ladder should have the following qualities that will make it a source of motivation for incumbent to strive and work hard to meet their career aspirations:

(i) **Length of the Ladder: -** The length of the ladder should be long enough to motivate steady high performance level so that employees can actualize their career aspiration. The longer the ladder the better. The short length ladders will result into dead end-jobs" in which no matter how well personnel perform the job don't lead anywhere;

(ii) **Breath of the ladder: -** In most craft and professional works, the paths tend to be "narrow" and the experience obtain is all in a similar function. Modern management circumstances demand that employees are provided with wide ranging exposures to meet new job challenges;

(iii) **Permeability of the Ladder: -** a good career ladder should also allow external absorption. This is because a persistent policy of promotion from within to fill strategic positions may also have drawback. The long-stays in the service may make insiders excessively homogeneous. To make the career permeable, it is occasionally desirable to bring in the outsiders with fresh viewpoints and skills for higher level appointments. The more permeable the career ladder, the more emphasis are placed on selection in contrast to on-the-job training;

(iv) **Predictability and Clarity of the Ladder**; - A predictable ladder is one that the line of movement from the bottom ladder to the top is known and clear. Some promotional paths are so predictable that the employee can know as long as ten years ahead who will get what positions. However, high degree of predictability can injure motivation and equally unsatisfactory is total lack of predictability where promotion standards keep on changing and individual executive decisions appear capricious. This kind of situation, give the employee an impression of the management team that is confused, unserious or bias.

(v) **Adequate Number of promotions Steps: -** There is no optimum number of promotion steps. However, promotional steps should not be too long nor should it be too few. Too few promotional steps may injure morals by reducing opportunities for personnel progress and accomplishment. Too many promotional steps may mean that an excessive amount of time and effort must be spent in selecting candidates and shifting employees.

3.5 Essential Conditions for Building Efficient Promotion System

Willoughby (1927) lay down the following conditions, which form the backbone of a sound promotion system:

(i) Adoption of standard specifications setting down the duties and qualifications required for all promotions in the organisation. Thus, job analysis of each position in the organisation will be of much assistance. The criteria should not be unnecessarily influenced or determined by the whims of certain unscrupulous top executive;

(ii) Structuring of these positions into classes, series, grades and services;

(iii) The inclusion of all positions, except those of policymaking character, into this classification;

(iv) The adoption as far as possible, of the principle of recruitment from within for filling up of higher posts;

(v) The adoption of the principle of merit determining the selection of employees for promotion (willoughby 1927, Tyagi, 1975);

(vi) The provision of adequate means for determining the relative merits of employees eligible for promotion;

(vii) Ensure that promotion system is based in equity and fair play.

3.5.1 The Benefits of a Sound Promotion System

Promotion systems are designed to build efficiency and high morale among employees. Absence of a good promotion system will generate retroactive effect in all the process of personnel administration. It may discourage ambitious and capable workers from seeking employment in the organisation, and may also cause high turnover of highly skilled personnel. Further training on the job will not make sense without any prospects of promotion and management may not be able to effectively maintain a healthy sense of discipline and good will. The major consequence of absence of a good promotion system is of course adverse reduction in individual and group efficiency and productivity.

An instituted good promotion system attracts, retains and develops skilled manpower in the organisation. A good promotion system ensures that the right person with relevant qualification, efficiency level and good record of performance emerges on top of the organisation hierarchy.

3.6 Qualification for Eligibility to Promotion

A good promotion system specify requisite qualifications employees should possess before they would be allowed to move to the next level just as is prescribed at the entry point of the career. Thus, promotion should not be an automatic rotation of personnel from level to levels.

There are two basic forms of qualifications:

(i) **Personal Qualification –** These are the requirement on a promotion applicant or candidates. They include education requirement, training or experience, physical fitness, special and other qualifications. Each post has its educational requirement and requisite experiences. Individual candidate eligibility for promotion to a post depends on his fulfillment of that post's requirements. This is what is meant by an applicant having to <u>qualify himself</u> for promotion to a given position;

(ii) The Second factor determining Eligibility for promotion to a given post is the candidate's service status i.e. position on the career ladder. Employee will qualify for a promotion to a level only if he has been on the next level below the target level for prescribed number of years. To qualify for promotion to Grade level 14, a candidate must have been on GL13 for the prescribed number of years.

3.7 Principles determining Selection for Promotion

The two basic principles that determine employee eligibility for promotion are:

- Seniority and
- Merit principle

3.7.1 Seniority

Seniority refers to "length of service" of employee in organisation. These are certain rights or benefits attained on the basis of length of service. Historically, seniority is the first criteria in consideration for employee promotions and it is still a very important criteria for promotion because of its simplicity and practical advantages.

> **Enumerating the diverse advantages of seniority, Mr.** Mayers, an American Author of repute says that the length of service of employees determines in great part their technical qualifications. Under this system, internals strife for advancement is eliminated; that those responsible for making promotions are relieved from political or other outside pressures, and the feeling that is engendered in the service that promotions are being made with an even-handed justice tends to promote good feeling and thus, promote general morale… that promotion through seniority principle attract better class of men to the organisation or service and enables organisation retain experienced employees (Tyagi, 1975 p497).

Other advantages of seniority as a yardstick for eligibility to promotion are:

- Seniority principle is impartial because it eliminates any possibility for favouratism influencing the choice of employee to be promoted;

- Selective favouratism, which cause ill-feeling among employee as a result of unfair appraisal cause workgroup disintegration;

- Seniority helps to maintain group solidarity;

- Seniority curtails the unnecessary strive of certain young ambitious employee to supercede others who senior them in service;

- Seniority is compatible with the cultural expectation of mankind from the beginning of human race, respects are always given elders;

- There are higher tendencies that workers acquire more skills and perform better at jobs as their length of service increase;
- Promotion based on seniority rewards employees for longtime loyalty to the organisation

Disadvantages of Seniority Principles

(i) Promotion based on seniority principle may cause unqualified long-servicemen in organisation to occupy strategic positions in the organisation. If this occurs aversively in the organisation, it may lead to organisation deterioration and mediocrity;

(ii) It discourages short-service ambitious employee to put further efforts if they know that no matter how hard they work, they will never be given necessary position;

(iii) If grossly unqualified senior men are assigned positions of influence in organisation, it will undermine the general morale of employee in the organisation;

(iv) Even if senior men eventually acquire skills to perform at certain level, they may not have adequate knowledge and ability to perform some higher level job demanding intellectual ability.

3.7.2 Merit Principle

Merit as a yardstick for motion eligibility stipulates that employee qualification, competence and performance should be the main determinant of eligibility for promotion. The technique of finding out the merit of an employee is called performance evaluation or appraisal

3.7.2.1 Method of Testing the merits of Eligibility for Promotion

A reliable method of testing or measuring eligibility for promotion is necessary to safeguard the merit principle from loosing its credibility, check extraneous human frailties like favouritism and corruption in administration. The three method of judging the merits of candidate for promotion include:

(a) personal judgment of the head of line agency or department
(b) promotion examination

(c) efficiency rating

Personal Judgment of the Head

This is an old system of measuring employee eligibility for promotion by relying upon judgment of the immediate officer of the rate who has been in close contact with the rate and thus has the best knowledge of their personality and the requisite skills of their next positions. Being in charge of the department, the head should know better about the employees. The basic problem with relying on the Head of Department's judgment is that the system would work well in small organisations where it's possible for the head to know every employee. Moreover, the head's judgment may be subjective or be influenced by some extraneous factors.

In order to check this defects in reliance on judgment of the head of the department, three (3) devices or strategies have been put in place, these include:

(i) Promotion Board or Committee System

This is made up of selected experienced hands or personnel in organisation. This is usually made up of sectional, branch or unit heads who should decide employee eligibility to promotion. The board will review progress reports on employees seeking promotion and promotion decisions are made based on the record of service of employees.

(ii) System of Appeal

Here, the head of departments take promotion decisions based on their assessment of the employee. Employee is however given the right to appeal to superior authorities within or outside the agency for arbitration and such arbitrating authority's decision would be binding upon the organisation's promotion officers or committee. The problem with allowing outside intervention on the personnel system of the organisation is that it adversely affects the discipline and morale of the personnel.

(iii) System of Report Form (APER-FORM)

To make the report of the heads formalized, objective and more scientific, devoid of favouritism and corruption, a system of forms are adopted as a medium for assessing and measuring employee performance. The common performance quality and traits the forms are designed to assess include:

(1) Knowledge of the branch or department work
(2) Personality and force of character

(3) Judgment
(4) Power of taking responsibility
(5) Initiative
(6) Accuracy
(7) Official's conduct, dress and tact
(8) Supervising ability
(9) Zeal, and
(10)Official conduct

The employee's qualities are assessed in this ranking or grading order: - exceptionally well-qualified; highly qualified; qualified and not qualified. Usually special reasons are given for reports of exceptionally well-qualified and not qualified assessment. (Tyagi 1975. P. 501)

(b) Promotion Examination

Result of written examination is also used to determine employee eligibility for promotion. Promotion examinations are usually of three types, which include;

(i) Open competitive examination
(ii) Limited competitive examination
(iii) Pass examination

In the open competitive examinations, employee from various departments or outside organisation may participate and compete. The civil service examinations conducted by college of administrative and business studies of Kaduna Polytechnic and Niger State Polytechnic are cases in point. The limited competitive examination is tests designed for lower cadres like typists and secretaries to measure their skills ability and aptitudes. It may also involve test for drivers, machines or plant operators and mechanics in workshops. The pass test only requires candidate's participation in the examination and efforts made to pass the examination and this qualify them for promotion.

(c) Efficiency Rating

This is a method of appraising employee performance through mechanical method of assessing the qualities of employees. Efficiency rating system is based upon scientific classification of all position in organisation and mechanical evaluation of traits of human character and personality. The method is intended to assess traits of employee with mathematical accuracy, so as to use the result of this assessment to determine personnel decisions concerning salary increments, promotion, demotion, dismissal and even transfers.

Three types of efficiency rating devices are used:

(i) Production record
(ii) Graphic rating scale and
(iii) Personality inventory.

(i) Production records

Production record system is used to assess works that are easily measurable such as the jobs of clerks, typist, mechanics operators, card – punch operators etc. this system thus assess the qualities of employee by the record of their performance.

(ii) Graphic Rating

Graphic rating is used to assess the performance of administrative and managerial officials. Assessment is made on forms called APER form in Nigeria public service. The form usually contain fifteen traits of human character such as accuracy, industry, initiative resourcefulness, dependability, cooperativeness, effectiveness, meeting others, ability to organize work, physical fitness etc. Personality inventory involving assessing employee against certain personality qualities and traits. See units 5 and 6 for further explanation.

SELF ASSESSMENT EXERCISE

Identify five-career path in any organisation known to you and determine the number of promotion levels and the required qualifications for promotion to each of the levels of these career path or ladder.

4.0 CONCLUSION

This unit has introduced you to various techniques of moving staff in and out of the organisation in order to optimally make use of employee optimally and where the services are much required.

5.0 SUMMARY

You have been highlighted on some personnel movement strategies ranging from Resignation, Dismissals, retirement, day off and termination. This unit however concentrated on detailed discussions of promotion, kinds of promotion systems and career ladders and qualification condition for promotion in organisation.

6.0 TUTOR MARKED ASSIGNMENT

Define promotion and discuss five qualities of a good promotion path

7.0 REFERENCES/FURTHER READINGS

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UNIT 3 EMPLOYEE MOVEMENT IN AND OUT OF THE ORGANISATION II

CONTENTS

1.0 INTRODUCTION

Employee movements IN and OUT of the organisation are strategies designed for efficient utilization of available human resources to attain corporate goal. These forms of movements make personnel available where their services are highly required and ensure that the aged and the unproductive personnel are discharged from the organisation through various exit doors.

2.0 OBJECTIVES

After studying this unit, you should be able to:

- Define and discuss advantages and disadvantages employee transfer
- Understand nature and types of advancement
- Know the meaning, nature of Demotion, Redundancy and Redeployment
- Explain the meaning, objective and features of retirement and layoff

3.0 MAIN CONTENT

3.1 Definitions and Meaning of Transfer

Transfer is defined by the following authorities as:

(i) a change of assignment from one employing agency within an organisation to another in the same jurisdiction, not necessarily involving any change of pay, duties or responsibilities (White, 1963);

(ii) Transfer consists of assignment of an employee to another job of similar pay, status, and responsibilities. A transfer is a horizontal movement from one job to another

It is distinguished from promotion, which is a vertical movement from one rank and responsibility to another. Sometimes, a transfer may involve slight change in level of responsibility and status (Beach 1980 p. 344).

These two definitions indicate that transfer entails shifting employee from one job position in an agency to another position within the same agency or organisation. The movement is horizontal and within similar job or rank in the organisation. It may not attract increase of responsibility or and status. Transfer can be temporary or permanent.

3.2 Reasons for Employee Transfer

Employees may be transferred for diverse reasons, which include:

- The need of the business – Transfer of employee from one division to another may occur to meet the demand of operation changes in business such as changes in volume of work, which may demand for more hands or workmen. When this occurs in a company or agency division, workmen may need to be transferred from units where their service is not being optimally utilized to where volume of work has increased. Instead of retrenching personnel whose services are not optimally utilized, management may decide to transfer them to where their need is high. Changes in organisation such as introduction of a new product line may necessitate re-assignment of personnel;

- Transfer may be initiated or requested by the employee because they feel they would be happier or more productive in a different job.

- Management may transfer employee with the objective of enhancing their performance as a result of change of environment and job.

3.2.1 Advantages of a Good System of Transfer

- Change of job and/or environment, which transfer provide often refreshes employee's mind and enhance their efficiency;

- A good system of inter-service transfer check unnecessary resort to recruitment and layoff when business expands or when recess set in;

- Transfer broadens employee outlook and enables them undertake their job in the context of general organisation responsibility. It widens employee's scope of experience on the job;

- Transfer is a necessary adjunct of a good system of promotion

3.2.2 Disadvantages of Frequent Transfer

- Too much transfer deter employee from acquiring relevant training and experience on a job before being transferred to another similar job, and as the saying goes, rolling stone gather no mose;

- Transfer based on suggestion or recommendation of the head of department often creates resentment among employee and also create disharmony in organisation;

- Most transfers are based on sentimental reasons not an objective or business reasons or considerations;

- Most transfers tend to be too frequent and often reduce the efficiency of employee.

3.3 Definition of Advancement

(i) Advancement is defined as personnel administrative promotion. It is device which affects the efficiency of work in administration (Tyagi 1975 P.402);

(ii) It is a personnel administrative device, which pertains "to advance in pay by a prescribed increment within the scale of pay appropriate to a given position.

In other words, advancement specifically concern increase in pay associated with increase in step accumulated by yearly increment. This is derived from a compensation plan build on graded scale of salary by which a new employee is appointed on a minimum salary fixed for his job and as he progresses in service and accumulate more experience on the job his salary will increase up the scale of his salary. It is this increment in compensation that is technically called advancement or administrative promotion.

3.3.1. Types of advancement

Advancement is usually based on two different factors which are:

(i) Length of service in the position
(ii) Efficiency of the employees

This implies that an employee may enjoy advancement based on how long he has stayed in the service or based on how efficient he has been in a position.

In some organisations however, advancement of employees are determined by a mix consideration of length of service and the degree of efficiency of employees. These three basis of advancement provide us the three category of typology of advancements, which are:

(i) Automatic advancement system
(ii) Semi-automatic advancement system
(iii) The conditional advancement system.

3.3.1.1 Automatic Advancement System

Under this system the sole criterion of advancement is length of service and once an employee fulfils it, he/she get pay increment automatically on annual basis.

3.3.1.2 Semi-Automatic Advancement

This system gives equal considerations to the length of service and efficiency of the employee as the criteria for advancement. Here, increment will be made on employee pay only if the head of the department or unit certifies that employee performance is adequate and has met the length of service condition. If his performance is not satisfactory, the increment may be withdrawn for that year until the employee improves performance to a satisfactory level.

3.3.1.3 The Conditional Advancement System

Here, employee efficiency is the sole criterion for advancement. The problem with this system is that it is open to abuses by the head of the department who may use it to victimize employees working under them. It is thus open to corruption, favouritism and subjective judgment of the head. To safeguard against the mishandling of the system, organisations should establish standard for rating measuring employee efficiency and the head should be responsive and in the interest of the organisation be objective in assessing the employee efforts at work.

3.4 Definition and Reasons for Employee Demotion

Beach (1980 P. 349) defines demotion as the assignment of an employee to a job of lower status and pay. Usually the level of difficulty and responsibility is lower on the new job.

3.4.1 Causes of Demotion

Employee demotion may be caused by the following reasons:

(i) Employee may suffer demotion due to business recessions and corporate re-organisation resulting from business crisis and consequent retrenchment of some employees may compel those personnel lucky to be retained in the organisation to accept lower-level positions. Re-organisations due to dampen business activities or other political reforms in public service may cause departments to be combined and some jobs eliminated and the consequence is usually large scale layoff which may set in bumping up process;

(ii) Incompetence or inadequate performance level persistently exhibited by a recently promoted employee who find it difficult to cope with new demand of work may cause demotion;

(iii) Employees may also be demoted due to their inability to adjust to meet the rising requirement of job resulting from changes in technology, methods and practices;

(iv) Demotion or stagnation may result if employee fastly gets old and incompetent on their jobs before their retirement age. This type of employees may not necessarily be demoted but may suffer stagnation taking away from their job schedules some of the difficult duties and responsibilities they can’t handle efficiently and re-assign them to other colleagues who are capable and should continue to enjoy promotion;

(v) Demotions are also administered as penalty for violation of organisation's rules of conducts. It is however important to note that it is wrong to use demotion to inflict penalty in order to make employee change attitude and behaviour at work. If demotion is designed to correct employee negative behaviour at work, it will take along time to be effective, if it can produce any positive change at all.

This is because the employee demoted for disciplinary purpose would have to first painfully learn to overcome the psychological adjustment resulting from the loss of pay and status and at the same time learn to perform at the expected level. Demotion will first dampen his enthusiasm, morale and take the whole of his persons. The result will be a frustrated worker instead of the desired re-formed and hard-working and disciplined employee envisaged by the demotion exercise.

SELF ASSESSMENT EXERCISE

(i) Identify five reasons for personnel transfers from your working experience
(ii) Enumerate circumstances that will lead to employee demotion in organisations known to you

4.0 CONCLUSION

This unit has informed you on the concept, nature, rationale for employment transfers, advancement and demotion exercises in organisation

5.0 SUMMARY

This unit continued to discuss various techniques for employee movement IN and OUT of the organisation. Emphasis are placed here on employee transfers; its concept, rationale, advantages and disadvantages. The unit also discusses employee advancement and demotions.

6.0 TUTOR-MARKED ASSIGNMENT

Define Transfer and Outline four advantages and four disadvantages of frequent transfers of personnel

7.0 REFERENCES/FURTHER READINGS

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UNIT 4 EMPLOYEE MOVEMENT IN AND OUT OF THE ORGANIZATION III

CONTENTS

1.0 INTRODUCTION

In the interest of efficiency and productivity, a good personnel system ensure that workforce are optimally utilized by moving skilled personnel to where their services are required and ensure that the aged and the inefficient are replaced appropriately.

2.0 OBJECTIVES

After going through this unit, you should be able to discuss:

- Meaning and nature redundancy
- Methods of managing redundancy problems
- Understand various forms of employee separation from organization.

3.0 MAIN CONTENT

3.1 Meaning and Nature of Redundancy and Redeployment.

When a business experiences unnecessary severe profit cuts resulting from macro economic policies affecting the firm's productivity and profit level, management may be constrained to reduce its productions and personnel to cut cost or it could even take the advantage of new technology which may require few people to operate machines. This situation set in chains of personnel management problems such as redundancy, redeployment and secondment of staff.

3.1.1 Meaning of Redundancy

This is a situation in an organization when certain jobs are no longer necessary or non-existent due to certain economic reasons associated with the business or due to changes in policies, technology, production methods and process. If jobs are no longer necessary or non-existent (i.e. redundant), it means also that the jobholders are no longer relevant or needed and are by implication also redundant.

Redundancies may arise when

(i) The employer ceased to carry on the business in which the employees were engaged;
(ii) Stops production at a given business unit;
(iii) When the work of the employee are no longer relevant.

3.1.2 Strategies for Managing Redundancy Problems

To manage redundancy crisis situation, management may sets minimum rates payable to redundant employees, decide severance pay package, and consult with employees whose jobs may be terminated. However, before these redundancy management strategies are enforced, management may adopt some crisis reduction remedies such as:

- Restriction on overtime
- Dismissal of part-time or short-term contract staff if their crucial experiences and services are no longer needed.
- Restrictions on recruitment
- Redeployment within the organization if the services of the concerned staff are needed elsewhere in the organization.
- Retraining opportunities should be offered to affected staff to make them relevant in other job position.
- Retirement of the staff that have passed the normal retirement age.
- Early retirement of the staff approaching normal retirement age.
- Seeking voluntary redundancies. (Cole, 1997).

3.2 Redeployment and Secondment

Redeployment is an offer to be employed elsewhere in the organization at the same or similar work, or on different work (Cole 1997, 168). Secondment shares the same meaning and application with redeployment. The two concepts share similar meaning and serve the same or similar functions. However, redeployment can be considered as a solution to redundancy problems when:

(i) Alternative jobs are available.
(ii) Employees have some of the required skills for the new work
(iii) Retraining facilities are available.

3.3 Employee Exit or Separation from Organization

Staff severance or separation may be at the initiative of the employee (e.g. voluntary retirement or resignation). It may be due to some uncontrollable circumstances such as ill health, mandatory age provision and the economy of the business. Staff exit may take the form of resignation, retirement, dismissal, retrenchment discharge, termination, rationalization and purges.

3.3.1 Resignation

Resignation is a voluntary withdrawal of service from the organization by the employee due to or either the desire for a better job or dissatisfaction with the present employment conditions.

3.3.2 Meaning and Nature of Retirement

Retirement refers to a time when employee leaves their jobs and stops working at the end of their career or service life. Retirement may be requested for by the employee when due (voluntary retirement and it could be imitated by the organization before the retirement age of the employee (involuntary retirement)

As an essential element of merit system of open personnel administration, a system of superannuating is provided for employees who served a permanent tenure of appointment pension scheme is the most important employee benefit provided by an organization in addition to basic salary or pay monthly after retirement.

3.3.2.1 Objectives of a good Retirement System

Retirement is a personnel severance strategy designed to stabilize the organization's manpower system by relieving those old employees whose performance has fallen due to old age and replace them with a more competent, energetic workforce.

White L.D (1963) says that "retirement system for civil employees is primarily designed to facilitate the termination of employment of men and women whose powers have failed on account of old age or disability by granting allowance for past services, to provide benefits to dependents in case of death and to improve the morale of the service by creating a sense of economic security from the point of view of the employees. The retirement system helps to compensate for modest scale of pay, relieves anxiety for the future and furnishes a convenient means of regular saving.

Dr. L. D while has indeed outlined the basic rationale for retirement system in an efficient personnel system. Professor Tyagi further summarized the objectives and benefits of efficient retirement system in organizations as follows:

(i) It aim at increasing the efficiency of organizations by eliminating those employee from service who due to old age, or bodily or mental infirmity are unable to perform their duties adequately;

(ii) Retirement of older employees from highest positions is also essential for maintaining the system of promotion;

(iii) By retiring older employees, rooms are created for young and capable persons in public service. Retirement system thus helps to inject new blood and fresh ideas in organization;

(iv) A system of pensions on retirement keeps employee satisfied and contended and thus helps in retention of experienced and capable persons in service. As the employees are assured of an efficient pensions after retirement, corruption and bribery while in service are supposed to be checked;

(v) A system of pensions helps to attract talented persons to work in an organization by providing a life insurance even after service. Thus, it help the organization to secure the most competent skilled manpower from labour market of an economy

3.3.3 Main Features of a good retirement system

Although countries may have different retirement systems, there are certain features, which are common to all systems.

(i) All countries have fixed compulsory retirement age. In Nigerian, 60 years is the fixed age while 35 years is the fixed number of service year at which civil servant must retire. The retirement age of judges is 70 years old. Thus, a civil servant in Nigeria should retire at the age of sixty whether they have reached thirty-five years in service or not, or whether they are still capable of efficient service or not;

(ii) Retirement can be voluntary at compulsory age or compulsory before the retirement age;

(iii) In all countries, retirement system provides for pensions for retirees and the pensions are not based on contributory principles, as gratuities and other remunerations after retirement are. Government pays the pension wholly and they cannot be claimed as right and they can be withheld at any time by the government when it feels that the pensioner is engaged in any subversive activity against the state.

The following are condition for qualification for pension:

(1) The pension claimant must have been one who was appointed in accordance with rules governing admission in to the service in which he belongs;

(2) The claimant must have been a whole-time employee of the state;

(3) He should have drawn the emoluments on which he is pensionable from the public funds exclusively;

(4) He/she have served for upward of a minimum number of years, usually 10 years;

(5) He should be certified to have served with diligence and fidelity to the satisfaction of the head of the service or department under which he worked;

(6) He has attained the age of superannuating or if he is under the age of superannuating, he has been certified to be permanently incapacitated from infirmity of mind or body from discharging his official duties or has been removed from office on its cessation;

Beside pensions, retiree may enjoy other financial benefits like insurance and provident which are usually partly or wholly contributory. Unlike pensions, these benefits are usually paid in Lump sum on retirement not monthly like pensions.

3.4 Meaning and Nature of Layoff

Economic upheavals or misfortunes affecting business enterprise and public sector organization often result in mass layoff of employee which may be temporary, in which case employee may be recalled if business prospers once again. Layoff may be permanent or indefinite by which the employee may not be recalled at all, probably due to business liquidations.

Beach (1980 P. 345) defines lay off as an indefinite separation from the payroll due to factors beyond the employee's control. Layoffs can take different forms and terminologies which define their different natures include discharge, termination, dismissal, retirement, purges, rationalization and even downsizing.

Discharge is a permanent separation of employee from his job due to poor performance or violation of service rules of conduct. Termination of appointment of an employee will occur under the same condition with discharge. Sometimes terminations are lenient way to punish criminal or severe misconduct of employee which may attract legal action on the employee.

Dismissal is disengagement of employee due to serious misconduct. It's severity is such that the affected employee may never be considered for another appointment in the organization in the future. A terminated employee may likely gain appointment in another agency of the service especially in public service.

Rationalization is a diplomatic terminology for layoff while "purges" create the impression of removing the unwanted employees from the organization so as to instill efficiency in corporate performance. Downsizing and rightsizing are terms used to refer to layoff situations designed to make the organization efficient and effective.

SELF ASSESSMENT EXERCISE

(i) Discuss five conditions that qualifies employees to enjoy pension
(ii) Identify five basic strategies for managing the problems of redundancies in organization.

4.0 CONCLUSION

This unit has help you to understand the forms and natures of employee movement inside and outside of the organization as a result of redundancy situation. You are informed about the movement designed to resolve redundancy problems so as to re-institute efficiency in corporate management.

5.0 SUMMARY

This unit highlights on the circumstances that will create redundancy problems in an organization and the various form of staff movement in and outside organization designed to resolve redundancy problem. Prominent among these devices (movement) are redeployment, retirement, termination, dismissals, retrenchment and downsizing or rightsizing.

6.0 TUTOR MARKED ASSIGNMENT

Discuss redundancy and redeployment and explain various strategies designed to resolve redundancy problems in organizations.

7.0 REFERENCES/FURTHER READINGS

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UNIT 5 MOTIVATION AND INTEGRATION OF EMPLOYEE

CONTENTS

1.0 INTRODUCTION

The goal of every organization is to optimally produce goods and services so as to maximize profit or service delivery. Organizational productivity and service however depend largely on the extent to which employees willingly put their efforts at work, which have direct impact on organization productivity and success. This is the main reason why management is often concerned with what will make (i.e. motivate) the employee to perform without being forced or rigidly monitored to do so. Hence, motivation and integration of the worker has been considered the central concern of corporate management overtime.

Because of the complexity of human nature and motive, it has been difficult to devise all time theory of motivation that will be applicable to all set of workers. However research has revealed that man accept to work for others so as to fulfill personal needs, which they expect corporate entities to provide in return for their labour. This is why provisions to fulfill human needs have been considered as a strong strategy for worker motivation. The problem however is that human want changes overtime. However, inspite of the dynamism of human want, research has proved that providing employee with their right needs will make them happy and satisfied and it is hoped being happy they will work hard.

2.0 OBJECTIVES

After reading through this unit you should be able to:

- Understand the meaning and significance of motivation to productivity
- Know the main forms of motivation theories
- Identify various methods of motivating employees

3.0 MAIN CONTENT

3.1 Meaning and Nature of Motivation

The word "motivation" is derived from "motive", which mean "inner state that moves or activate" and direct or channel behaviour toward goals. In other words, "motivation" is a general term applying to the entire class of drives, desires, needs, wishes and similar forces. So when we say that managers motivate their subordinates, we mean they do those things which they hope will satisfy these drives and wishes so as to induce the subordinates to act in a desired manner.

Thus, worker motivation is usually induced through the use or provision of motivators to the workers. Motivators are those things, which induce all individuals to perform. They include high pay, prestigious title, a name on the office door and a host of other things that give an employee reason to perform. To be specific, while motivation reflect wants, motivators are the perceived rewards, or incentives that sharpen the drive to satisfy these wants. Motivation is a device for inducing personnel to put in extra-effort at work.

3.2 Motivation Theories and Practices

The central concern of all motivation theories and plans are on how to influence the workers to put in their optimum efforts on the job so that both workers and the organisation would achieve collective and personal goals through higher productivity.

So all the times, managers are pre-occupied with how to make the workers work harder and better. In essence, the big question had been what do we do to motivate the workers to perform better and satisfactorily?

The attempt to provide answers to the above question led to the development and adoption of various approaches designed to motivate the workers. Each of these approaches were derived from postulated theories of motivation enunciated by popular organisation theorists of different times and school of thoughts. The approaches, which are based on certain distinct assumptions about workers behaviour and needs are as follows:

(a) Paternalistic approach
(b) The scientific management approach
(c) The human relation approach
(d) The participatory management approach

3.2.1 The Paternalistic Approach

In this approach, management of the organisation act like apparent figure to the employee by treating them all kindly with the hope that the employee will appreciate such kind gestures by working harder and performing better and loyalty. This approach was designed based on the assumption that people will be motivated to perform better if they are made satisfied with their jobs by giving them higher rewards. This approach assumes that the more rewards worker receive, the more loyal and productive they would be.

Based on the above assumption, managers often try to give the workers unconditional rewards across the board irrespective of whether they perform or not. The policy guideline is to design and provide certain standardized incentive as worker's entitlement so that they would be grateful and being grateful, it is hoped they will perform better.

Good examples of such motivation packages designed to operate this paternalistic approach are pension plans, group insurance, subsidized education for workers and their family members, recreation facilities, comfortable working condition, across the board wage increase, job security and predictable promotion plan. All these are unconditional rewards provided and made available for the enjoyment of all members of the organisation irrespective of whether they perform or not. This is why the paternalistic approach is not a very effective strategy for motivating workers to put in their optimum efforts. However, in most cases, the strategy provides job satisfaction and might reduce turnover rate in the organisation.

3.2.2 Scientific Management Approach

This approach assumes that personnel would be motivated to work harder and better if rewards and penalties are tied directly to their performance. The approach was traditionally known as "the carrot and the stick" approach and it was the same assumption that Douglas Mc Groger worked upon to formulate his Theory X and Y approaches to worker motivation.

In both “the carrot and the stick approach and Theory X and Y, rewards are contingent and attached to performance in the same way as penalty is attached to non-performance. The policy guideline is that if you work (perform) better, you would be rewarded amply and if you perform below expected standard, you will be reprimanded for poor performance, warned to improve, in some cases, your reward get cut down and in extremely poor performance situation, you get dismissed (fired) for non-performance or non-conformity to organisation or non-conformity to organisation or company standard.

The traditional assumptions that inform the above management practice in controlling the worker is what Douglas Mc Gregor terms the major principles of Theory X which include the believed that:

(i) The average human being is by nature indolent and has inherent dislike of work and will avoid it if he can;

(ii) The average human being must be coerced, controlled or threatened with punishment before they work;

(iii) The workers lack any ambitions, dislike responsibility and prefer to be led by other;

(iv) He is inherently self-centred and indifference to organizational needs;

(v) He is by nature resistant to change;

(vi) He is gullible, dull and not intelligent.

With the above assumptions about human nature, the traditional manager using scientific management style would adopt a hard and soft or stick and carrot approach in controlling and directing the worker like the old carrot (reward) and stick (penalty) approach used to induce desired behaviours from the workers. Theory X was built on the believe that workers need to be persuaded, rewarded, punished and controlled before management can achieve the objectives set down for the workers to accomplish.

Examples of application of this motivation strategy is an individual wage increased based on performance, promotion based on merit, individual bonus scheme, special commendation, high status and prestigious rewards, management compensation etc. On the other hands, the penalty for non performance or inadequate performance could be lack of recognition, stagnation of promotion etc.

Methodology of application

The standards of individual performance is determined and made known to each employee. The effectiveness of this system of motivation is based on consistent allocation of reward to hard work and punishment to poor performance. This motivation system was based upon what psychologist called the law of effect or the principle of reinforcement, which state that if a person undertakes an action and this action is followed by a reward, the probability that the action will be repeated is increased; on the other hands, if a person undertakes an action, which is ignored or followed by a punishment, that behaviour or action is less likely to be repeated.

3.2.3 Human Relation Approach

This approach is preoccupied with the creation of an enabling environment as away of motivating the workers to perform effectively. As a substitute to the traditional approach of work-or-be-fired, human relations oriented managers sought to motivate employees mainly through satisfying their security and social needs. Relevant motivation theories that produce this strategy of motivation are Douglas Mc. Gregor's theory X which emphasizes participative management environment where the employees and their supervisors jointly determine organizational or work objectives and jointly lay down performance measurement criteria in the manner enunciated by Peter Drucker's management by objective.

Another supportive theory to human relation approach is the motivator/ Hygiene factors of Frederick Hertzberg. His research purports to find a two factor explanation to motivation. Hertzberg suggested that the following factors relating to a job content of an employee can motivate performance.

(1) Opportunity for achievement
(2) Recognition by supervisors (and fellow) workers
(3) Challenging work to do
(4) Increased responsibility for the work produced and
(5) The opportunity for personal growth and development

If all these are found within the job and its environment, they tend to motivate higher performance.

The second set of factors which Hertzberg says don't motivate directly but may prevent the workers from being dissatisfied is called hygiene factors. In just the same way that water purification doesn't make one healthy but protect one from getting unhealthy or sick. These factors are money, status, and security, interpersonal relationships, working conditions, supervision, and company policies and administration. Research has however revealed that the hygiene factors can have profound impact or influence on worker motivation, even if indirectly.

3.2.4 Participative Management Approach

Participative management approach is a sort of internalized motivation strategy. This approach was based on the assumption that individual can desire satisfaction from doing an effective job. By making the job itself enjoyable not just the work environment like in the case of human relation approach, the employee will feel satisfied and important do good job. Here, the employee obtains satisfaction through the work itself (i.e. intrinsic satisfaction). This is where Hertzberg's job design, job re-design, job enlargement, and job rotation are the most relevant strategy. Also of significant relevance is peter Drucker's management by objectives because of its recognition and respect to individual worker's suggestions and ideas.

The participative management approach has the following merits over other motivation strategies:

(i) The strategy of participative management to motivation involves the integration of planning and doing by which the employees and their managers jointly set down the broad goal, targets and objectives. The idea of M.B.O. is here orchestrated;

(ii) There is the absence of the use of authority and control as a means of enforcing performance or productivity in the organisation; instead, the manager or supervisor discusses idea with the subordinate, set target together, advise them or guide them. In fact here, the manager is a teacher, consultant as well as colleague but not a boss;

(iii) There is frequent utilization of autonomous work group to influence workers performance;

(iv) There is absence of the external incentive to motivate the workers, instead the work itself is made more appealing to the worker through such schemes of job enrichment which are:

    (a) Job design;
    (b) Job enlargement; and
    (c) Job rotation.

3.3 The Need to Relate Reward to Efforts

If human motivation to work is a complex managerial problem, the managerial practice of refusing to base or tie rewards or incentive strictly to productivity has made the matter more complex. And this has caused the chronic performance problems in both private and public sector where rewards are seldom based on merit but instead, rewards are based on less instrumental factors such as length of service years on posts, sectionals, State of Origin, Local Government Area, Political Affiliation and other irrational considerations. (Oloko, 1977).

Unwillingness to relate reward (promotion and other incentives) to performance has led to a large number of worker in public sector to develop non-challant attitude to work. This is one major cause of inefficiency and ineffectiveness.

3.4 Methods of Employee Motivation

Motivation is a complex management practice and what motivate depends so much on individual worker needs and aspirations. As such, there can be no single best way of motivating staff or employees. However, the following motivation techniques have been applied to motivate staff in various organisations, private and public

(1) The Traditional Approach (fear)

The traditional form of motivation strategy emphasizes the use of authority and rewards to induce the employees to perform higher. This method sometimes called “be strong” consists of forcing employee to work by threatening to fire them or cut their economic rewards if they don’t. The assumption of this economic man model is that the only reason people work is to earn money and that they will work only if driven to it by fear for losing the jobs. Thus, employee work for fear of losing all rewards and privileges attached to work.

(2) Enabling Work Environment

As has been highlighted above, employees would perform higher if both the physical and psychological or social environment of work are made conducive. The physical environment involve comfortable office or industry, work place, palacious offices with all necessary facilities that can enhance and boost the morale of the employee. The psychological environment encompasses regards and respect to the employees. The psychological environment encompasses regards and respect to the employees opportunity for employees to participate in crucial work decisions, recognition of employee's roles and appreciation of their efforts.

(3) Competition

Another strategy of employee motivation is competition for pay increase and promotions through outstanding work. Competition furnishes several forms of need satisfaction. The prospect of winning a promotion or a pay increase provides a meaningful reason for increase performance.

(4) Participation

Opportunity for participation in vital decisions and operation's does respond to a number of basic motivators. It appeals to the need for affiliation and acceptance. Above all, a chance to participate gives employee a sense of accomplishment and it is on this believes that MBO is upheld.

(5) Internalized Motivation

By making the work enjoyable, employees will feel comfortable and important to do a good job. Internalized motivation may be provided through (a) job redesign, (b) Participation (c) Good leadership style (d) commitment to subordinate goals (e) Installment of an open system of career – paths

(6) Status

Status also motivate employee. It includes titles, promotions and such symbols as office size and appointments, company car and club membership

(7) Money

As mentioned earlier in the discussion of the carrot and the stick, money can never be overlooked as a motivation whether in the form of wages, piece work or any other incentive pay, bonus, stock options, company paid insurance, or any of the other things that may be given for performance, money is important. However, for money to be used as an effective motivator, management must take note of the following points.

(a) Money is likely to be most important to people who are younger and are raising a family than to people who have arrived in the sense that their money needs are not as urgent;

(b) That money in actual terms can be used as a means of keeping an organisation adequately staffed and not primarily as a motivator. This can be seen in the practice of making wages and salaries competitive between various enterprises so as to attract and hold competent people;

(c) If money is to be an effective motivator, employees in various positions, even though at a similar level, must be given salaries and allowances that reflect their individual performances.

3.5 Some Managerial Incentive Plans

The following are incentive plans which organisations can adopt to serve as effective strategy of employee motivation to perform optimally:

(a) Piece-rate System

This is an incentive plan where payment is calculated per unit of output beyond the basic rate. Here, the reward or payment is based on absolute quantity and quality of work achieved by an employee.

(b) Group Bonus System

This is an incentive for groups of workers who collectively decided to put in extra effort or productivity on understanding that the extra-benefit will be distributed among them.

(c) Profit Sharing System

This is an incentive scheme where a certain percentage of profit is shared among its employees as bonus. This is used as a motivation scheme because the better the results or revenue the larger the size of bonus.

(d) Individual Bonus Scheme

This is a productivity improvement plan by which individual employees are given rewards or extra-benefit for unusual performance. This is always in the form of cash awards and other handsome gifts.

(e) Special Commendation

This is a scheme by which an organisation recognizes an individual's performance by giving him special honours such as the newly introduced annual productivity merit award in Nigeria public service

(f) High Status and Prestige Award

This is an incentive plan by which organisations accord outstanding officers' treatments that are normally reserved for more senior officers.

There are many other forms of incentive schemes which can be found in several management literatures.

SELF ASSESSMENT EXERCISE

Examine he effectiveness of paternalistic approach to worker motivation in organizations known to you.

4.0 CONCLUSION

This unit has highlighted on the significance of motivation as a management instrument for stimulating higher productivity among employee in the organization. It is also emphasized that the goal of all motivation strategies must be to stimulate employee productivity and organization efficiency and effectiveness.

5.0 SUMMARY

The unit discussed the concept, nature, theories and the derivative method of motivation practices in organizations. Various employee motivation plans are also discussed in details.

6.0 TUTOR-MARKED ASSIGNMENT

Define motivation and discuss seven (7) methods of motivation

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MODULE 3

UNIT 1 ADMINISTRATIVE LEADERSHIP DEVELOPMENT

CONTENTS

1.0 INTRODUCTION

Leadership is the most significant tool of management since all collective actions of individuals and groups that make up an organization need a concerted direction which good leadership provides. Planning of programmes and resources would be meaningless in the absence of a planned guidance and supervision of group activities. In the olden days leading involved top down direction inform of command exercised in a dictatorial manner, but in modem democratic society leadership is no longer through directives and command. Leadership in modern organizations consist of the act to discover, encourage, development, persuade those individuals in the organization who posses the rare talent to inspire and lead others to work cooperatively for the attainment of organizational goal. This indeed is the description of administrative leadership process, and it is significantly different form the political or charismatic leadership process, which is identified with a person possessed of certain characteristic habits and occupying rather inertly status position relative to other individuals who are mere slaves or subordinate of the super ordinate master. Thus, administrative leadership is not a matter of passive status or possession of some combination of certain angelic traits, instead, it is manifested in the form of "a working relationship among members of a group, in which the leader acquire status through active participation and demonstration of his capacity for carrying cooperative tasks through to completion (Ralph M. Strong-hill 1948). Quite all right, administrative leader need some charismatic qualities (traits) such as superior strength, intelligence, knowledge, determination, but these alone cannot make his successful. Administrative leader emerges as consequence of the needs of a group of people and of the nature of the administrative structure within which the group is attempting to operate. It is a product of administrative and other situations and often arises when authority has been settled in office in governmental organization.

2.0 OBJECTIVES

After having read this unit, you should be able to:

- Clearly define administrative leadership;
- Understand some leadership theories and types;
- Know different leadership styles and when (or situations) they can be effective;
- Know various techniques for administrative leadership development.

3.0 MAIN CONTENT

3.1 Meaning and Nature of Leadership

Leadership has been defined in different ways by scholars. According to Koontz et al (1984) Leadership is the process of influencing people so that they will strive willingly toward the achievement of group goals. They went on to say, "to lead is to guide, conduct, direct and proceed, leaders act to help a group or organization achieve objectives with maximum application of it capabilities. Leaders do not stand behind a group to push or shout at them. They place themselves before the group as they facilitate progress and inspire the group to accomplish organizational goal. Koontz et al (1984).

G. A. Code (1986) seems to offer a clearer insight into the concept and practice of leadership. He defines leadership as a dynamic process in a group whereby one individual influences the others to contribute voluntarily to the achievement of a group tasks in a given situation. This definition clear 3 basic feature of leadership: (a)

That leadership is a dynamic process in that its style should change according to the nature of the situation, tasks and people being led. Thus, it is not a static or there is no one best style for all situation.

That the role of the leader is to direct the group towards group goals. This reminds us of the classical functions of chief executive POSDCORB identified by Luther Gullic meaning planning, organization, staffing, directing, coordinating, reporting and budgeting.

That the Leadership type is highly dependent on the nature of the followings:

The operational implication of this behavioral definition of leadership is that four basic element (variables) must be put into consideration to achieve effective Leadership. The 4 variables or element are:

LEADER Skills knowledge personality	**TASKS/GOALS**
SUBORDINATES Skills Motivation	**ENVIRONMENT/SITUATION**

All this implies that effective Leadership is a function of the leaders experience and style, the nature of the followers, and the task to be undertaken and the characteristics of the situation. All these factors interact to producer effective or (ineffective) Leadership.

This behavioural view of Leadership places emphasis on the interaction of many elements that determine Leadership effectiveness in a specific situation. Thus, supervisors can be effective in one situation with one type of followers and infective in other situation or with another type of followers.

3.2 Evolution of Leadership Theories

Leadership theories are collection of ideas generated by scholars in the attempt to explain the concept, nature, process and styles of Leadership as a management function. Most of the theories that have been put forward to explain types, behaviour and characteristics, style have been based on the following ranges of assumptions:

That leader is born not made or acquired through education and training. Thus, leadership was thought to be primarily exercised by great men of extraordinary powers or qualities (the great man theory of Leadership or charismatic authority structure). This is also popularly known as trait theory of leadership which involve attempt to identify personality traits which good leaders exhibit. Is there distinct Leadership type? Do leaders as whole posses' traits that distinguish them from non-leaders? This theory of leadership was propounded between 1910 and 1940s. The range of traits commonly associated with effective Leadership includes:

a. Personality traits. These include adaptability, ability to adjust to situational requirements, aggressiveness, dominance, emotional balance, self-control, independence and nonconformity, originality and creativity, integrity age e.t.c.;

b. Intelligence and ability traits: This includes personal intelligence, judgment and decisiveness, knowledge of work, speech fluency, achievement drive, persistence and initiative;

c. Social skills trait: this include administrative ability, interpersonal relations, cooperativeness, popularity and prestige, sociability and social participation, tact and diplomacy;

d. Physical traits: include appearance, height, energetic and comportment;

In general, the study of Leadership trait to identify successful leaders has not been a very successful approach in explaining Leadership behavior. It failed because.

Not all leaders possess all the traits and many non-leaders may possess most of the traits. The trait approach gives no guide as to how much of any trait a person should have. Many scholars disagreed as to the question of standard traits to be used to judge a person as a leader.

The behavioural theory of Leadership postulated that successful Leadership is a matter of the leader's behaviors. What effective leaders do and how they behave. These behaviours of leaders should provide information about talents that need to be built into future leaders. The behavioural theory of Leadership generated divergent styles of Leadership such as autocratic, democratic, laissez-faire, people-oriented and task oriented leader. MC Gregor's Theory X manager is a case of tough, autocratic leader who believe in tight controls with punishment, reward systems. His theory Y manager is a benevolent, participative leader who believes in subordinates' self-control (a democratic style).
Contingency theory of Leadership postulate that different subordinates or tasks (situations) demand for different style of Leadership. Hence there is no one best style for all situations and tasks.

There are so many more theories of Leadership but the above three approach have been used to shade adequate light on the phenomenon.

3.3 Administrative Leadership Styles

Leaders are seen to apply the following styles in the day to day administration of their organization:

- Autocratic leadership style;
- Democratic leadership style;
- Participative leadership style;
- Expert leadership style.

3.3.1 Autocratic Leadership Style

The autocratic leader is a leader who commands and expects compliance, he's dogmatic and lead by ability to withhold or give rewards and punishment. The autocratic leader is work centered. Autocratic leadership style is of three types: Coercive or tough autocrat. Benevolent autocrat Manipulative autocrat.

(a) Coercive or tough autocrat

This leader view leadership as a matter of giving orders. The follower's role is to take orders and obey without question. Often tough leadership style is accompanied by a sense of insecurity and a lack of confidence in the employees, this in turn prompts close supervision and swift punishment for failures to perform as directed.

Characteristic of tough autocrats:

- Resentment of the leader and his or her methods.
- The right to lead is derived from positional authority.
- They use rewards and punishment to influence followers.
- Hides and monopolizes information so as to be the sole source of knowledge.
- All work is described in detail and rigid work standards are imposed on the performance of followers.

Favorable Situations For Autocratic Style

- When subordinate are new on the job and have no experience.
- In an emergency, when decision must be made urgently.
- When the workgroup becomes complacent and need shake up.

- When disciplinary action is required. On the other hand, an autocratic leadership style is not desirable in the following situations:
- When the employee are experienced experts on the job to be done.
- When the established work group has been successful in meeting the goal.
- When the job required the development of teamwork and cooperation among employees.
- When the supervisor is interested in promoting job satisfaction and high morale among workers.

Benevolent Autocratic Leadership Style:

The benevolent autocrat often referred to as a paternalistic leader, see his or her role in the workgroup or organization as that of a "parent figure" although he listen considerably to the followers opinion before making a decision, the final decision is his own. All actions by subordinates are evaluated in terms of their agreement with the thinking and wishes of the boss. Disloyalty is capital punishment in the eye of a benevolent leader.

Characteristics of Benevolent Autocrat

- The leader makes all the decision
- The style stifle creativity and innovation
- Pretends to know all and is concern with details of tasks
- Requires that group members come to him or her for advice and approval before taking action.

Favorable Situation for Benevolent Autocratic Style

- When subordinate are not interested in seeking more responsibility or when they enjoy strong and friendly Leadership;

- When subordinates are immature and must be closely managed

Unfavorable situations for Benevolent Autocratic Style

- When dealing with mature, strong and independent employee who desire decision participation;

- When Leadership development for future is necessary.

Manipulative Autocratic Leadership Style

Manipulative autocratic is a leader that poses as a democrat trying to create the impression that he does not take decision a lone. At the organizational level, the leader may head meetings or form committees, pretending those organization members are permitted to take crucial decisions. However, he makes sure that even at committee levels his ideas are upheld.

Characteristics of Manipulative Autocratic Style

- Using or manipulating the employees to reach personal goals of the leader;

- Employee's needs and desires are viewed and used as means of forcing them to perform.

Favorable situation for manipulative autocratic style

- When coordination and cooperation must be achieved on a project execution;

- When a highly motivated employee are needed for project execution.

3.3.2 Democratic Leadership Style

The democratic or free reign Leadership style is often described as no Leadership at all. This type of leader have very little respect for his/her ability to make decisions and therefore depend on the group or subordinates to reach a verdict on the assumption that all members of the group will then work in support of his decision: discipline and control are not enforced in the hope that employees will act in a mature manner and take care of the situations. Here, group goals are not often stated and there is always confusion among group members.

Characteristics of a Democratic Leader

- There is maximum concern for individual who makes up the group;
- Open discussion and creativity with respect for all Majority rule for making decision.

Favorable situations for Democratic Leadership Style

(i) When the participants are experts and willing to take independent decision.
(ii) When the group is small and enjoys problem-solving interactions,
(iii) When there is plenty of time to make decision.

3.3.3 Participative/Consultative Leadership Style

This style of Leadership emphasizes the need for the leaders to involve the members of the work group, in decisions that affect the group. This can only be achieved if employees are committed to the organization, and that the development of teamwork can earn commitment.

Characteristics of consultative Leadership style

- Delegate a wide range of responsibility to employee;
- Emphasize results instead of action;
- Demonstrate concern for employees in groups;
- Encourage cooperation;
- Define objectives for groups and give them freedom of performance based on established standard;
- Subordinates make all the final decision and accept full responsibility.

Favorable situations for consultative style

- When the work force is well trained and experienced;
- When the workgroup have records of cooperation and performance;
- When employees can work independently with out supervision.

3.3.4 Expert Leadership Style

This new Leadership style has developed in part from the complexity of modern organizations. The basis for expert Leadership is the individual leader's knowledge and ability. This style of Leadership often emerge in situations where an individual possess all the information the group requires to reach its objective.

Characteristics of Expert Leadership Style

Collective participation of individuals' talent gives him recognition as the needed situational leader. Leadership skills are not usually transferable.

3.4 Types of Leadership

Different scholars identified different types of Leadership. (Max Weber identified three kinds of Leadership:

(a) Charismatic;
(b) Traditional; and
(c) Legal rational leader. In the charismatic type of Leadership, the leader's authority is based on the personal qualities of the leader by virtue of which those he leads see him as endowed with supernatural, superhuman qualities. He is a societal leader not organizational manager or executive. A traditional leader has authority by virtue of the status (position) he has inherited and the extent of his authority is fixed by customs. Legal-rational leader emerges through general consensus.

On the other hands, James D. Mooney and Alan C. Reilly delineated three Leaderships types although unlike Weber's typology, their distinctions were more applicable to organizations than society generally. They include titular leaders, controller leader and a true organizer. A titular leader follows his staff's advice undeviatingly and hence was not much more than a figurehead (the like of a democratic leader). A controller leader was at the other extreme and he or she refuses to delegate authority to line officers, and usually ignore staff advice (manipulative autocrat). A true organizer leader is one who simply did every thing right including of course the paternalistic autocrat.

Etzlani also identified three types of leaders:

- <u>Officials</u> those who occupy positional power to lead,
- <u>Informal leaders</u> command because of their personal charismatic qualities.
- <u>Formal leaders</u> combine both positional authority and informal authority.

Cole (1984) identified five types of leader:

- **Situational leader** whose influence can only be effective by being in the right place at the right time;

- **Appointed leader** whose influence arises directly out of his position. This is the bureaucratic type of leadership, where legitimate power springs from the nature and scope of the position within the hierarchy;

- **Functional leader** who secures his leadership position by what he does rather than by what he is. In other words, functional leader adapts his behaviour to meet the competing needs of his situation.

3.5 Ingredients of Effective Leadership

For an administrative leader to effectively influence the activities of his subordinate, he should have possessed a combination of the following power sources or ingredients:

(i) **Reward power** To effectively influence the subordinate in a desired way, the leader should possess and control two basic types of rewards:

(a) Commendation reward This include praises, recognition for a job well done; and
(b) pay raises, promotion e.t.c.

(ii) **Coercive power:** This involves the leader's ability to blame or criticizes poor or non-performance and inflicts punishment on the subordinate as a corrective measure. For leadership to be effective, it must be supported by some measure of power. This is true for both formal work organization and the informal social group. A leader tries to influence this behavior of other people. He may give instruction, he may coordinate activities of specialists, he may seek to reconcile conflicting views, and he may seek to impel them to greater efforts to achieve higher productivity;

(iii) **Legitimate power:** This is positional power acquired based on the position occupied by the leader;

(iv) **Referent power:** This is the power a leader acquires and enjoys because the subordinate admire, and identify with him as a "role model" worth emulating. Indeed, the more a leader has a configuration of these control powers, the more effective he will be able to command his subordinate to do what he wants them to do. However, it must be re-emphasized that the effectiveness of leadership depends so much on the leadership personality, behavior, style and situation.

SELF ASSESSMENT EXERCISE

(i) Identify the appropriate leadership style you would apply if you are to lead and administer the following set of staff:

(a) A group of young and inexperienced operators;
(b) A group of research officers;
(c) Students or apprentice;
(d) Functional departmental managers.

3.6 Administrative Leadership Development Strategies

We have earlier in this lecture indicated that administrative leadership are not born and that it can be developed through establishment and development of certain institutional and personality factors such as:

(1) **Participation:** Wide leverage of opportunity granted to subordinates to participate in crucial decisions and activities of the organization serve as a training ground for future leadership development. The MBO strategy or technique can offer this opportunity of Leadership Development;

(2) **Effective recruitment**: this involves searching for competent applicants to occupy positions of strategic importance in the service. The recruit should possess critical faculties and general mental training which could equip them for administrative task of planning, organizing, devising scheme and comprehending the problems of coordination, staffing, directing e.t.c.;

(3) **Training and apprenticeship**:
Training for leadership development should be a continuous process through out the entire service period of a civil servant. The training should not be restricted to chosen career but should embrace the whole programme of civil service development from the base to the top for enabling the individual civil servant to meet the present and future requirements of the public service effectively. In this way, development of immediate subordinate becomes the duty of the directing officers.
The objective of training should be to inculcate wide imagination and human understanding and intellectual ability in the future leaders. The traditional class room lecture method would not be suitable for imparting this type of training. Training for leadership would, for the most part, be on the job. It would be both directed from outside as well as self education for on the job training uses more sophisticated techniques of training, such as syndicate method, role playing, case-study method, delegation of responsibility and succession plans can be used to develop effective leadership in the subordinates. Other strategies for leadership development include:

4. **Discipline**: A consistent discipline is the bases of a sound system of organization where subordinates feel secure in their posts and superior feel confident to delegate authority to subordinate. For discipline to create dynamic leadership in organization, It must not be based on a fear psychosis. It should be self-imposed. Personal energy, physical endurance, a sense of mission and purpose, enthusiasm and self-confidence, a sense of friendliness and concern for others, keen intelligence and profound knowledge of details, integrity and sense of moral duty and fairness, persuasiveness and judgment i.e. capacity to know strong and weak sides of issues and persons;

5. Political loyalty and sociability;

6. Enabling administrative environment characterized by team spirit, job and psychological security and motivation through adequate remuneration;

7. Effective leading can also develop leadership potential in the subordinates. The leading qualities that can stimulate leadership potential in subordinates includes:

- Positive, effective, humane and mature leadership.
- Purposive goal oriented leadership.
- Leaders who listen
- Leaders who are receptive to subordinate ideas and suggestion
- Leaders who involve subordinates and make them feel important and included
- Show practical top management examples of what to do
- Superior who know the way, show the way and also follow the way.
- Superior who know, develop, and utilizes employees strengths,
- Sensitive to employee needs and aspiration
- Identify and provide opportunity for employees professional growth and development
- Security of tenure e.t.c

4.0 CONCLUSION

We have discussed administrative leadership; the concept and practice involving meaning of leadership, theories of leadership, styles of leadership as well as factors that enable effective leading and leadership development strategies.

5.0 SUMMARY

This unit has highlighted on what leading means and involve in administrative environment. It also discussed the conceptual assumptions of leadership theories, leadership types, styles as well as explained circumstances under which the various identified styles can be effectively applied. The unit also suggests techniques for developing administrative leadership potentials among employees.

6.0 TUTOR-MARKED ASSIGNMENT

Discuss five main strategies for developing administrative leadership potentials among young employees in organizations.

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UNIT 2 WAGES AND SALARY ADMINISTRATION

CONTENTS

1.0 INTRODUCTION

WAGES AND SALARY ADMINISTRATION

One of the major concerns of personnel administration is how to determine monetary compensation of employees i.e. how do we determine a fair pay for a fair job done? This is very important to the employer because wages and salaries often constitute the greatest single cost of running business or public functions. Monetary compensation is also important to the employee because their pay is often their sole means of economic survival.

The concern of salary administration has been on how to develop an adequate and practical theory of wages that would help in determining how much pay a man should receive. A good system of salary administration tries to find adequate solutions to the following questions: what is suitable or proper pay for doing a particular job? Should pay be affected by the abilities and quality of the employee? Should it be affected by such factors as geographical location of the job; the size of the employee's family, the cost of living, the ability of the employer to pay and the attitude to the employee? For example, when company or government department determine that a particular class of workers should receive N1, 800 per month for performing the duties of a particular jobs, how do we know that N1, 800 is the correct amount and not N4, 200 or even N500 a lesser amount?

2.0 OBJECTIVES

After studying this unit, you should be able to:

- Differentiate between wages and salary
- Know factors that influence compensation plan
- Know principles involved in salary determination
- Understand the relationship between compensation and worker performance

3.0 MAIN CONTENT

3.1 Defining the Concepts Wages and Salary

Simply put, wages are payment for work done while salaries are fixed regular payment to persons employed, usually in a non-manual work. The main difference between wages and salaries is that salary is a regular payment while wages depend on the job done. Wages lack unconditional regularity.

3.2 Aspects of Salary Administration

There are four closely related aspects of wage administration:

1. Wage and salary surveys
2. Job evaluation
3. Merit rating and
4. Incentives

    1. Wages and Salary Survey:- Are designed to determine the general pay level in the community and industry, thus the findings will give the company a base for setting its own rates;

    2. Job Evaluation; establishes the relationships between wages and various jobs within the organization. Together, wage surveys and job evaluation set the "base" of minimum rates for each job. Job evaluation mainly measures the worth of job through;

        a. Job grading,
        b. The point system
        c. Simple ranking of job and
        d. Factor comparison.

3. Instead of fixing one rate for each job many companies establish a series of rates or Steps. New employee normally starts at a base rate for the job, and then as they gain proficiency and seniority, they advance through merit rating to higher steps;

4. Companies with incentive plans pay the base rate only for a "normal" amount of production, as determined by time study. If a worker produces more than normal: he receives an extra incentives bonus. Similarly, salaried personnel may qualify for bonus earning of one kind or another.

3.3 Factors Influencing Workman Compensation system

Some important factors influencing compensation system and process include the following: Market mechanism, ability to pay, level of productivity, Trade unionism and cost of living.

1. Market Mechanism

Although the commodity approach to labour has often been disputed by human relation school, it is nevertheless true that a wage is a price for services a person rendered. The employer desires these services, and he must pay the price that will bring forth supply, which is controlled by the individual worker or by a group of worker acting in concert. If labour is priced and bought, it is subjected to the economic law of demand and supply which will determine the competitiveness of wages so that if the demand of a given skill is higher compared to supply, a going-wage rate will rise vice versa.

2. Ability to Pay

The ability of an organization to pay its workers in accordance with its compensation policy is a strong factor influencing workman compensation method and process. Thus, in bargaining over wages and salaries, both union:, and employers are often inconsistent in the positions that they take. The reasoning about ability to pay is a case in point. When the organization is weak in time of depressions and unable to pay the going-rate, the union base its argument on the importance of meeting competitive wage rates while the employer argues his inability to pay and consequent need for special considerations. When the company's economic position improves and is able, the union demands for higher pay.

3. Level of Productivity

An organization may find itself revising compensation mechanism from time to time depending on the level of productivity.The higher the level of productivity, the higher the rate of compensation. This is because higher productivity is likely to lead to higher profits all things being equal under normal market economy,

4. Labour Unions

Given the structure of economic relationships, the labour union attempt to work primarily on the supply side. If it withhold the supply of labour or reduce it, the wage rate will tend to rise. This is essentially the economic aspects of a strike for higher wage. Labour union's objective is always to obtaining more pay through threaten labour withdrawal.

5. Cost of Living

The cost of living and trade union activities also influence compensation method and process. This often lead to workers agitating for cost of living allowance or pay increase. 'Recent event in Nigerian public sector is a case in point.

6. Competition

Competition in labour relations has been unhealthy so that workers compare their wages to either colleague inside the organization (internal competition) or outside the organization doing similar job (external competition). In both cases, the employer may be constrained to improve their pay package.

SELF ASSESSMENT EXERCISE

Find out if your organization periodically raise level of pay and ascertain the standard criteria they use for these increments.

3.4 Principles Involved in the Determination of Salaries

The most cardinal principle of compensation plan in public personnel administration is that of compensating the position rather than the individual. That means that there should be uniform salary rate based on the-principle of equal pay for equal work. This however, does not mean" equal pay for all"

Another principle involved in setting up a compensating plan is that there should be, instead of a fixed amount of pay for a job, a graded salary, or" a step plan" as it is technically called. Step can be defined as a system of minimum and maximum with a set of rate of increment. This is also called pay scale. Increment may be automatic, semi-automatic or conditional. Grading of salary must be based upon an equitable formula.

Advantages of step compensation plan

1. It serves as good incentive for better work.
   This is because meritorious work will be recognized by increase salary;

2. It would bring more efficiency in administration as personnel strive to meet the condition for wage increases and step in crease;

3. It is more equitable as it recognizes the difference between a new and an old experience hand in service;

4. It gives more stability to administration, as an employee about to receive a step increase may not be inclined to leave the service.

3.5 Fringe Benefits of Public Services

A compensation plan includes not only a rate of pay-but also what are called “fringe benefits”, such as increments, leave, transport, house and other allowances, retirement allowances and privileges of the kind. Besides causal and medical leave, public servants are also given the benefit of earned leave and study leave. These help them to refresh their minds and improve their qualifications. Similarly, other benefits help in increasing their efficiency and maintaining social prestige.

4.0 CONCLUSION

Wages and salaries are the rewards paid to the worker in exchange for their performances on the job. Determination of equity pay for equal work has been a difficult problem in compensation administration. However, management of organizations have widely adopted graded salary based on a step plan, which enable pay to rise as employee progress in seniority.

5.0 SUMMARY

In this unit, the concept of wages and salary has been discussed along with factors influencing workmen compensation plan

6.0 TUTOR-MARKED ASSIGNMENT

Discuss six major factors that influence organizations compensation system.

7.0 REFERENCES/FURTHER READINGSS

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UNIT 3 CODE OF CONDUCT AND DISCIPLE IN ORGANIZATIONS

CONTENTS

1.0 INTRODUCTION

Managing human beings of divergent socio-economic background and motives is indeed a Herculean task that demands for clearly stated standard rules and regulations that should govern workers behaviour as well as sanctions for misconduct.

To get uniform acceptable behaviour form people (worker) of divergent home training, social class, interest and motives, a clearly stated rules and regulations need to be written to guide their work process and interpersonal relationship within work environment.

These written rules could complement the established principles of organization on the basis of which the entire frame work of administration has been built. The principles of formal organization provide the initial standard code of conduct and process of administration. Such principles include the scale principle (Hierarchy) the principle of unity of command, span of control, unity of objectives, division of labour and specialization, delegation of authority, espiritcle corps etc.

All these principles provide the initial foundation of the conduct of the workers in organization, and the official code of conduct which are later provided to govern the workers behaviour are indeed complementary. The codes of conduct state the rules categorically along with attendant penalties for nonconformity while the principles establish a frame work or desirable official behaviour pattern, process of work and workplace interaction. The sanctions for non-conformity to the dictate of the principles are seriously frown at and also attract certain level of sanctions.

2.0 OBJECTIVES

After you have read this unit, you should be able to:

- Perceptively discuss the nature of code of conduct and discipline;
- Identify some acts that constitute indiscipline act in an organization;
- Also know some form of penalties for certain indiscipline acts.

3.0 MAIN CONTENT

3.1 Meaning and Nature of Code of Conduct

By way of a definition, codes of conduct are comprehensive body of rules and regulations designed to guide the general conduct of the official worker. In Nigerian Public Sector composed of the Federal Ministries and Parastarals (Federal services), state ministries and parastatals (state services). Local Government and their parastatals (Local Government services), the code of conduct is referred to as the civil service rules.

Since Nigeria operates a Federal System, there are Federal Civil Service Rules and several state civil services rules. The state civil service rule governs each state? and local government services. This arrangement seems to make local government comply with the state rules and regulations except in few cases where local government bye laws provide directives and laws to take care of local peculiar situations.
Since it would not be convenient to present the details of the civil services rules in a book of this nature, we shall examine here below some important basic rules of civil service code of conduct.

The following are some important code of conduct every civil servant should be conversant with and abide by in the process of work and in their private lives as public servants.

1. The first and most imperative duty of the employee is to consciously discharge his office and all duties assigned to him;

2. An employee should obey the official orders of his superiors so far as they do not contradict the law of the land. The subordinate is therefore not permitted" to

question the orders of his superior, but he would not be to simply obey as assigned because he won’t held responsible for his action but his boss would have to be held accountable. This is in agreement with the requirement of hierarchy" and "Delegation of Authority" principles. However, to safeguard the subordinate, the superior's orders or command must satisfy the following conditions:

(a) It must be within the local and material competence of the office.
(b) It must be within the competence of the subordinate
(c) It must not be contradicting to the constitution and the laws; and
(d) It must be regular in form.

3. The employee must carry on his duties with sincerity and probity, with impartiality and integrity and with industriousness and care. He should not think of his personal, communal or political interest. While discharging his official duties. What is required of him is not only that he should not prejudice personal ends but also that his conduct should be above suspicion;

4. Employees have to be truthful in their official dealings, even when they are under a charge;

5. Respect for superiors inside as well as outside the office, even when the superior is objectionable in character. Courtesy towards subordinates and politeness to the public are among other obligations of the employee;

6. Safeguard and maintenance of the dignity and respect of the organization is another/obligation of the employee. They should not allow an insult, however slight, to the office to pass unnoticed. This is because the official at all times is the concrete representative of the organization and he should preserve the dignity of his office and the entire nation at large;

7. Even in their unofficial and private life, employees are enjoined to so behave as not to affect the dignity, confidence and respect of their office. e.g. They should not lead irregular life, indulge in gambling and sensuous pleasure or contract debts and maintain high standard of moral;

8. Employees are whole-time workers for the organization. They therefore, cannot take any additional office or employment other than their office ones. This implies that employees should not indulge in part-time venture s or what is commonly known as private practice (PP) during the official hours. In fact even the official dependents are not supposed to take such trade that is likely to cause suspicion upon official's integrity and impartiality;

9. The employee must observe official secrecy. He/she has to observe secrecy not only during his active service but also after retirement. In every country this duty forms a comprehensive code of behaviour;

10. Employees have to be punctual in their work, as punctuality is the essence of efficiency.

For further clarifications see the civil service rules and other related documents.

3.2 Meaning and Nature of Discipline

Discipline generally connote assort of training of the mind and character design to produce self-control and habits of obedience and compliance to the behaviour standards and rules of the constituted authority. A disciplined staff is therefore a staff that has trained himself or has been trained by the social system to behave in a desired way by conforming to the written and unwritten orders, norms and policies of an organization or society.

Discipline is an essential condition for the smooth running of any organization be it public or private. This is so because once people (workers) understand what is expected of them they tend to show higher tendencies for complying and behaving in a desired manner. Thus, codes of conduct are meant to instill self-discipline on the workers because self discipline is considered as the most enlightened and civilized form of discipline in social organization.

However, in spite of the rules, human beings have demonstrated higher tendencies for refusing to conform with the rules and because of this, organizations are forced to provide some forms of deliberate procedure for regulating, controlling and coercing (forcing) the worker to obey the rules of the workplace so as to ensure that every staff perform their duties and adjust their conduct to conform to the acceptable standards.

SELF ASSESSMENT EXERCISE

Identify and discuss the relevance of some code of conduct in your organization.

3.3 Some Acts of Indiscipline in an organization

Chapter of the civil service rules deals with disciplinary measures in its entirety and spells out various acts of omissions or commission on the part of the employee that call for disciplinary action as well as the procedure that should be adopted in dealing with disciplinary cases.

Other important documents that also spell out detailed procedures for disciplinary action on erring employees are:

a) The employee commission notes for guidance No. 2 and 5;

b) Financial regulations also provide guidelines for disciplinary cases such as those involving monetary matters, embezzlement of funds etcetera.;

c) The stores regulations also enumerate action on loss of store items, damages on transit and loss of government property and vehicles. All these documents offer comprehensive descriptions of acts that may be considered as undisciplined actions" and may warrant certain forms of penalties.

The following are the ranges of actions that may be classified as act of indiscipline in an organization:

1. Lateness to office;
2. Absence from duty without permission;
3. Inefficiency;
4. Leaking of official secret;
5. Dishonesty, corruption and bribery;
6. Drunkenness;
7. Fraudulent acts;
8. Financial mismanagement;
9. Embezzlement of public funds;
10. Engaging in private business with out clearance from government;
11. Engaging in political activities;
12. Official scandals;
13. Disobedience to carry out lawful orders;

14. Stealing;
15. Falsification of documents;
16. Manipulation or suppression of records accounts;
17. Unauthorized sale of store scraps;
18. Conviction of fighting on duties;
19. Conduct of indecent or immoral nature or any misconduct likely to bring the organization into disrepute.

NB: For detailed explanations on the meaning and circumstances on which the above offences can be committed see the relevant chapters of the employees' rules and the related regulatory documents.

3.4 Some forms of penalties for indiscipline act

Each of the above mentioned acts of indiscipline attract one form of penalty or the other ranging from counseling, warning, reprimand, interdiction, withholding of yearly increment or promotion, transfer from station, suspension, surcharge, termination of appointment and dismissal etcetera.

However, for analytical convenience, we shall classify penalties into:

(i) Informal penalties and
(ii) Formal penalties

Informal penalties are those, which are administered informally and personally in summary way without bringing anything into writing. They may include verbal counseling, warning, close supervision of the defaulting office's work schedule by the superior, or refusal to consult the discipline in relevant matters, or even transfer to a place with lesser dignity or convenience, these range of penalties are given to the discipline when the superior officer want to be lenient or when it is difficult to establish (prove) the guilt or fault of the defaulter.

Formal penalties on the other hands are those, which are severe in nature, and follow a set procedure. In the case of formal penalties, the defaulter's guilt has been formally and legally established and the penalty may also be classified into two groups:

(a) The lesser formal penalties: Which include warning, reprimand, loss of seniority right and delay in increment. They are imposed by the head of department, unit or section;

(b) The severe formal penalties: Include suspension, demotion and dismissals.

A detail on the penalties includes:

1. **Counseling:** This consists of personal advice given to the erring officer to desist from acts of indiscipline. It is the beginning stage of disciplinary action;

2. **Warning:** This consists of verbal and written warning. This is usually done when the superior discovered that the subordinate refuse to heed to the advice given to him the previous counseling sessions. The superior would react to the subordinate's non-challant attitude by writing calling upon the subordinate to submit an explanation as to why disciplinary action should not be taken against him or her. If the explanation of the subordinate does not satisfy the superior officer, such subordinate would be given a written warning but if the explanation satisfies the superior officer, the subordinate may be exonerated. It is important to note that series of written warnings 'served an officer may result in termination or dismissal if the employee does not change;

3. **Reprimand:** This is a form of exhortation on an officer who has failed to change his misconduct;

4. **Withholding of increment/promotion:** An officer who continues with his habit of misconduct in spite of serious warning and reprimand may have his promotion withheld for a year or more. This action is to serve as a punitive as well as corrective measures aimed at bringing home to the employee the gravity of his/her behaviour or offence;

5. **Suspension:** suspension is carried *out* when guilt has been established against an officer. The officer will cease to perform his function and his salary should be stopped. If suspension period is designed to grant further investigation on the degree of the officer's involvement in the established misconduct. However; if the proceedings against a suspended staff do not result in dismissal or reducing in rank, he shall be granted the full emoluments he would have received if he had not been suspended;

6. **Interdiction:** If an officer is alleged to have committed gross misconduct such as embezzlement, receipt of gratification, there or other criminal charges have been levied against him; and his head of department considers it in the public interest that he should cease to exercise the powers and functions, such officer is said to be interdicted;

7. **Surcharge:** a form of penalty inflicted *on* any staff who had committed an offence of getting Government property either damaged or lost out of negligence or misappropriation. Surcharge refers to the process of requesting the accused staff to make payment for the damaged or lost of government property or fund;

8. **Termination:** Termination of an employee's appointment is usually done on account of the employee's established cases of inefficiency or gross misconduct. Notice of termination is supposed to be given to the officer concerned. Salary in lieu of notice is supposed to be paid to the staff whose appointment is terminated. He may enjoy pension and gratuity if he is qualified, and the officer may gain another appointment in public service;

9. **Dismissal:** Dismissal is the most severe penalty and separation process from civil service. It is given to a staff who it has been established through deliberate process of disciplinary investigation to "have indulged in Gross misconduct of criminal nature.

   a. A dismissed officer does not need to be given a notice;
   b. A dismissed officer is not entitled to any benefits such as: Salary, gratuity or pension;
   c. He cannot gain employment any where in public service.

3.5 Who Should Exercise the Right to Punish a Worker?

Under the usual civil service rules, the right to take disciplinary action against employee belongs to and must of necessity belong to the departmental head. This is because he is the person who is mainly and immediately responsible for the discipline and efficiency of his department.

However, because most departmental or units heads may misuse the authority to punish, series of administrative procedures are put in place to regulate and control the powers of the unit heads in the process of exercising the authority to punish the subordinate. Thus, it is required that the departmental or unit head must fulfill the following conditions before inflicting punishment on the subordinate staff:

a) No employee shall be instructed to inflict punishment on a staff, that senior him/her in service;

b) No employee should be made to suffer any punishment except if such offences are established (proved) in the constitution or related to public service rules;

c) Before any disciplinary action is taken on an employee, the employee should be given reasonable opportunity to give his defence against the charge or charges;

d) The charges against an employee should be set forth in writing (in cases of charges demanding for serious penalties and filled with appropriate officers.

3.6 Disciplinary Procedures in an Organization

Disciplinary procedure refers to the range of disciplinary steps designed to ascertain or prove the guilt of an accused employee so as to determine the nature, degree of involvement and requisite penalty suitable to punish and correct the defaulting officer.

A disciplinary procedure may be instituted as soon as any of the rules and regulations covering the desirable workplace behaviour has been faulted. It is however important to note that it is the duty of every officer to report any form of misconduct that comes to his or her notice to an officer superior to the officer that commit the offence:

1. Once this is done, the accused superior is normally expected to issue a query letter bringing the details of the offence to the officer's notice explaining to him the relevant employee code breeched by the officer's action.

2. Further investigations would be conducted by the superior's officer until it is proved that the officer commit the offence. If it is certain that the officer is guilty, the superior officer should report the matter to the chief executive of the organization who should instruct the Director of Personnel Management to direct the appropriate staff committee on personnel management to initiate disciplinary proceedings in accordance with the approved employee guidelines on disciplinary procedures.

3. Before handing over the matter to a special disciplinary committee, the Director of Personnel Management should prepare and forward to the accused officer a brief or statement of the fact of which the allegation against him is based and should call him to state in writing within a specified reasonable period, any grounds upon which the relies to exculpate himself.

4. The Director of personnel management would on the expiration of the specified period appoint a special disciplinary committee comprising at least three persons to hold and inquiry into the

matter provided that none of the accusers including all members of the relevant personnel management committee (either junior or staff or senior staff) and the Director of Personnel, shall be a member of such disciplinary committee.

5. The committee so appointed shall inform the accused officer in writing that on a specified day, the charge levied against him will be investigated by it and that he will be required to appear before it to defend himself.
6. If witnesses against the accused officer are being examined by the committee, he shall be given the opportunity of being present and of putting question to such witness, he may also call witnesses in his own defense and such witnesses may be examined by the committee.

7. Having inquired into the matter, the special disciplinary committee shall forward its report to the appropriate committee accompanied by the records of allegations, the evidence led; the defense given and other proceedings relevant to the inquiry, and its finding of the allegation.

8. If the guilt and degree of involvement of the officer in the matter is determined, reference would be made to the relevant employee rules and regulation so as to determine the nature of the punishment to be met to the affected officer.

4.0 CONCLUSION

Code of conduct and discipline are at the heart of employee efficiency and corporate productivity. Code of conduct provides written workplace behaviour standard rules, which serve to train the mind of the employee to be disciplined and loyal to corporate philosophy.

Disciplinal staff are the most important asset of the organization while the indiscipline staff are problem to organization productivity and success.

5.0 SUMMARY

This unit has discuss the concept of code conducts, meaning and nature of discipline and highlighted on some Act of indiscipline and relevant penalties.

6.0 TUTOR-MARKED ASSIGNMENT

Define disciplinary process and describe the major steps in disciplinary procedure in an organization.

7.0 REFERENCES/FURTHER READINGSS

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UNIT 4 MANAGING EMPLOYEE GRIEVANCE

CONTENTS

1.0 INTRODUCTION

No matter how well managed an organization is the problem of dissatisfaction, discontent, and complaints are never ruled out totally. Employees may feel badly treated by the supervisors, or unjustly denied certain rights which colleagues are given, or unfairly disciplined for no genuine offence.

The above are diverse reason that, may cause employee complaints or grieve that may not be expressed. However, it is necessary that when these complaints are noticed management should endeavour to find out the roots of the matter and ensure to resolve it in the interest the organization efficiency and productivity.

2.0 OBJECTIVES

3.0 MAIN CONTENT

3.1 Meaning and nature of complaints and Grievances

Complaints are expressed dissatisfaction about something or situation that bother the complainant. On the other hands, Beach (1975) defines grievance as any dissatisfaction or feeling of injustice in connection with one's employment situation that is brought to the attention of management. This definition considers as grievances only the expressed problems because it will be difficult for management to act on employee problems that are not vocalized.

However, a large amount of employee problems are kept bottled up and unexpressed for many reasons. Because one, some employees have a high degree of tolerance for frustration, secondly they may hope situations may soon change and the problem would be corrected. Thirdly, experience might have taught them that complaints create more problems or hatred then solve them, finally some would feel that complain may attract unnecessary criticism from others. To solve these problems, management should establish a very reliable official process for employees to ventilate their complaints and grievances.

3.2 Sources of Grievance in organization

Grievance may emanate from the following sources:

i) Individual and group attitudes;
ii) Beliefs and perceptions about employee rights;
iii) Working practice and norms;
iv) The relationship between parties, the balance of power between the officials and the degree of trust and openness of executives;
v) The culture of the organization also has a part to play.

3.3 Rationale for Grievance procedure in organization

It is important management establish an open procedure for employee to ventilate their grievance. Management should not assume the immediate supervisors have adequate human relation skills and experience to handle grievance problems and complaints from employee should not be ignored or tries to suppressed them. These complaints are indications that things are wrong and if ignored, employee satisfaction, morale and motivation will diminish and the effect is disastrous for organization productivity and success in business.

These and other reasons below warrant that official open procedures for grievance resolution are established in an organization operating in a democratic environment:

1) Organization operating an democratic business environment need a working grievance procedure because most time immediate supervisors that management expect to handle the initial stages of grievances lack adequate human relation experience to handle grievance problems;

2) A procedure is necessary because supervisor may try to suppress their subordinate’s grievance in the believe that it is justice to forward such complaints to higher management;

3) A procedure is also necessary because some subordinates may not want to pass their grievances to their immediate supervisors especially if the supervisors had been unfriendly to them or discriminated against them;

4) A procedure is necessary because a sound procedure brings employee problems to the attention of higher management on time so that the higher management becomes aware of employee frustrations, problems and expectations;

5) A good system or grievance handling mechanism serves as an outlet for employee frustrations, discontents and grieves. It operates like a pressure release valve on a steam boiler (Beach, 1975). It provides a legitimate and officially approved way of approaching their grievances to the higher management;

6) The existence of an effective grievance procedure reduces the like hood of arbitrary action by supervisor;

7) The right to be head and are actually head helps to improve the morale of the employee.

3.4 Grievance procedure

Grievance procedures are series of formalized grievance handling mechanism or system.

Most organizations recognized four main steps for grievance resolution. The main stages include:

Stage 1 Presentation of the grievance vocally or in written to the immediate supervisor.

State 2 If the grievance is not resolved, the employee should request an interview with the manager within at least one week to discuss the grievance.

Stage 3 If the manager in stage two failed to resolve the grievance, the employee should raise the grievance with the general management or Director.

State 4 Subject to the agreement of both parties, if the grievance is not resolved an outside body might be asked to intervene, such as grievance committee or external conciliation or arbitration.

3.5 Approaches to Grievance settlement in organization

There are many approaches open to management of organizations to adopt to resolve grievances problems in organization. Among them are:

1. Open-door-Policy

The management that adopt this system has full concern for employee morale and as such allow all the aggrieved staff to come direct to the chief executive's office to complaint and the chief executive should personally investigate every grievance and take appropriate action. Although this system look attractive, but it doesn't work well because of the social distance between the chief executive and the lower cadre staff, they may not feel free and courageous enough to present their problem to the chief.

2. Inspector General Method

Private business has here employed the military system of providing a means of correcting injustices by having a representative from the Inspector-General's Office visit each unit once per year to hear and investigate soldiers' grievances. When applied in business, a deputy director may be assigned to visit every decision or subsidiary of a company, at least once per year to find out cases of employee grievance and make necessary efforts to resolve them.

3. Ombudsman

The concept of ombudsman was first used in Sweden in 1809 to process the complaints of citizens against the government. Conceptually ombudsman is an independent and politically neutral officer of governmental legislature. His function is to handle appeals by ordinary citizens against the executive bureaucracy. He has the power to investigate, has access to government documents, has the right to prosecute officials for illegal acts, and can publicize his findings. At present, ombudsman is an officer of government or organization charged with the responsibility of investigating and setting member complaints. This approach has great records of success in government and has been tried in several business organizations with good track records of success. The Inspector General is the military form of ombudsman.

4. Multi-Step Grievance procedure

This is the approach where the employee continue to appeal his grievance from the most immediate supervisor to the most highly place manager until the grievance is resolve. This is in line with the grievance procedure analyzed in 3.4 of this unit above.

5. Grievance Committee

This is an approach where the responsibility for grievance collection and investigation is entrusted to a committee; this is line with personnel management committees of Nigeria public service

4.0 CONCLUSION

Grievance is an inevitable aspect of personnel administration which must be deliberately planned for, to avoid the catastrophe that may result from expulsion of bottled-up grievance. Management must provide Official Avenue for channeling employee complaints and grievance so that it can serve as a source of increased morale, motivation, organization efficiency and productivity.

5.0 SUMMARY

In this unit, we have discussed the meaning and nature of complaints and grievances. We also discussed rationale for grievance procedure and various approaches that can be adopted to resolve conflict or grievances in organizations: public or private.

6.0 TUTOR-MARKED ASSIGNMENT

Why should an organization as a matter of policy have an open system of grievance procedure?

7.0 REFERENCES/FURTHER READINGSS

This unit draws some part of the materials from the National Open University of Nigeria, MBA 723 Human Resources Management

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UNIT 5 MANAGING INDUSTRIAL RELATIONS

CONTENTS

1.0 INTRODUCTION

Managing relationship between people of divergent interest and motives, who have converged in the workplace to fulfill their different and sometimes conflictive goals is a herculean task that requires tacts, experience and diplomacy.

Although industrial conflict is inevitable in situations of divergent and conflicting goals of different groups working in the industry, industrial harmony is achievable when each group understand and respects each other's interest and are willing to compromise their stake in order to reach an acceptable agreement. This is why it is often said that industrial peace and harmony is not a total absence of conflicts in the industry but a situation of mutual cooperation where conflict is properly managed through collective bargaining process. This should be the prerogative of every efficient personnel management system in a workplace.

2.0 OBJECTIVES

When you finished studying this unit, you should be able to:

- Understand the complex network of relations between parties in the industry;
- Know the conflicting motives and interests of the parties that often generate conflict;

- Learn how to manage the divergent interest of the groups in the industry;
- Understand the nature of industrial conflicts;
- Be able to manage and resolve conflicts through collective bargaining mechanism.

3.0 MAIN CONTENT

3.1 Definitions and Meaning of Industrial Relations

Industrial Relations commonly referred to as labour-management relations have been severally defined as:

i) Covering collective bargaining and relations of all types between workers and employers, and between workers and workers, personnel administration, worker supervisory training. In fact almost everything that has to do with the atmosphere and climate of the workplace. (Yesufu, 1962), as quoted in Folayan (1998, P. 82).

ii) As a web of rule which bind the actors, government, employers and workers, in the workplace. Schregle (1982, Ch I);

iii) The process of interest accommodation by which conditions of work are fixed; relations are regulated and power is shared in the filed of labour. Cordova (1980);

iv) Covers show work rules are made and applied, and how decisions are taken to distribute among the producers their share in the rewards of production. Damachi (1986);

v) As an interdisciplinary field that encompasses the study of all aspects of people at work. He went further to say, the field includes the study of individuals, groups of workers who may or may not organize into a union or an association, the behaviour of employer and union organization, the public policy or legal framework governing employment conditions, the economics of employment conditions, the economics of employment problems, and even the comparative analysis of industrial relation system in countries over different time periods.

The above definitions each contribute ideas that describe industrial relation phenomena as a tripartism involving webs of relations between employers, workers and government.

Cole (1980) contends that the key issues of industrial relations are those of conflict, cooperation, rule-making, authority and power, information and communication, and motivation.

3.2 Parties in Industrial Relations

As has been highlighted above by the various definitions, industrial relations concern the regulation of management-employee relations often mediated by government representative. However, the web of the relationships encompasses divergent interest parties such as:

a) Managers (representing employers)
b) Employer's associations' representative
c) Individual employees whose part in the system has been overshadowed by collective interests which unions represent.
d) Trade union representatives
e) Government representatives
f) Representative so the law.

Describing Actors in industrial relations system Ubeku (1983, P586) identified the following:

1) The key Actors – comprise the trade unions, employers (including employer's associations) usually represented by management;

2) The interaction of the actors and the conflict they generated;

3) The rules and regulations established through public policy and collective bargaining process, to regulate relationship including conflict resolution; and

4) The role each actor plays or should play in an industrial relations system.

SELF ASSESSMENT EXERCISE

Identify and discuss the roles and interest of parties in your organizations industrial relation environment and discuss how the protection of these interests shift overtime.

3.3 Divergent interests of Parties in Industrial Relations

Each of the above identified parties or Actors in industrial relations pursue different interests and thrives to ensure that their goals are achieved in the interaction that ensued in the system.

1. Managers of organizations may see industrial relations as one or more of the following:

    a) Creating and maintaining employee motivation
    b) Establishing workable and credible channels of communication with employees.
    c) Negotiating with trade union representative;
    d) Sharing power with employee representative (not necessarily trade unions) in an organized way.
    e) Achieving higher levels of efficiency and service by cooperation with employees and their representatives.

2. Employees may see industrial relations as one or more of the following:

    a) Management's efforts to win them round to their way of thinking;
    b) A genuine attempt by management to adopt a benevolent approach to employees;
    c) A "them-and-us" situation involving management – union meetings and frequent wrangling.
    d) An opportunity to participate in shop-floor decision making, and possibly even at board level.

3. The third parties such as government officials, conciliators, arbitrator and judges may see industrial relations situations as one or more of following:

    a) Attempting to achieve mutually harmonious relationship between employers and employees;

    b) Laying down rules of conduct between parties in industrial relations;

    c) Regulating the power struggle between owners and managers on the one side, and employees and organized labour on the other;

    d) Establishing peace-making arrangements between the two sides refereed to above, and the protection of interests of the rest of community.

3.2.2 Management of the Divergent interests in Industrial Relations

Two main approaches have been adopted overtime by organization management to handle industrial relation issues.

These approaches are:

(i) the unitary approach and
(ii) the pluralistic approach.

In situations where managers perceive their role as motivating employees by means of good human relation and thus adopt a collaborative and paternalistic style of management, industrial relations in such organization would be said to adopt unitary approach. Here, organization is seen as one large, happy family with a generally agreed sense of its common purpose. If the employees happily accept this paternalistic approach, the end result is usually peaceful and harmonious industrial relations.

If employee however begin to get dissatisfied with a paternalistic management style and want to be treated in a more matured way not like a child in the paternalistic environment, then conflict is likely to ensue, unless management give respect and recognition to their independence status. Where existence of separate interests is openly admitted and arrangements are made to resolve the conflict that is seen to be inevitable, the industrial relation style is called a pluralistic approach. This is a style characterized by management officials seeing their role as exercising "managerial prerogatives" while the employees and their representative see their role as challenging this exercise of power and the usual consequences is confrontation situation in industrial relations environment.

3.3 Managing Industrial Conflict

Conflict is an inherent feature of workplace environment, where people have converged to fulfill their mutually conflictive objectives. Thus, conflict is an inevitable feature of organizations and it is not necessarily a bad development because some conflict can bring about positive changes into the organization. This is why efficient conflict management has been preferred to conflict avoidance. What then is conflict?

The following definitions by different scholars provide clear hindsight on the meaning of the term "conflict"

Kilmann and Thomas (1978, 59-60) define conflicts "as the condition of objective incompatibility between values or goals as the behaviour of deliberately interfering with another's goals achievement, and emotionally in terms of hostility". They went on to further describe conflict as objective conflicts of interests, personal styles, reactions to threats, and cognitive distortions".

Hyman (1997), a renowned sociologist while providing a sociological analysis of industrial relations discussed the dimensions of industrial conflicts as involving the antagonistic relationship between labour and capital; between workers of every kind (manual, technical and clerical) on one hand, and the employers and their agents who seek to control their work activities on the other, and the social and economic system which structures the world of work. Based on the above illustrations, industrial conflict can be said to be synonymous with trade dispute in the Nigeria industry. (Akinmayowa, 2003). The process that has been instituted to allow the parties in conflict to attain their objectives and resolve the conflict amicably is called collective bargaining.

3.4 Collective Bargaining Process

Collective bargaining is defined as the process of resolving conflict over wages and other conditions of work in which unions and employers willingly negotiate directly and reach mutually agreed solutions. It is said the that term was first coined by the webs (1902) to refer to negotiation concerning pay and conditions of employment between trade unions on one hand and either an employer or an employers association on the other hand. Davey (1977) defines collective bargaining as a continuing institutional relationship between an employer entity, (government or private) and labour organization (union or association) representing exclusively a defined group of employees of said employer concerned with negotiation, administration, interpretation and enforcement of written agreement covering joint understanding as to wages or salaries, rates of pay, hours of work and other condition of employment.

In scope, collective bargaining can cover the entire sector of an economy or an industry e.g. National Union of Teachers. It may cover a small number of workers in a workplace. It may also concern the process of producing substantive agreements on rates or pay, holidays and hours of work, it can also involve setting down procedural agreements such as how discussions should take place and how disagreement can be resolved.

The actual conduct of collective bargaining entails the following fundamental procedures and stages of actions.

1) Pre-negotiation Phase
2) Negotiators selection
3) Designing strategies
4) Choosing an appropriate tactics
5) Signing contract or agreement

(a) The Pre-negotiation Phase

This is a preparation stage when negotiation parties must study carefully the issue at stake, the group to bargain with, their backgrounds, experience and previous contracts that has been negotiated before. The knowledge of parties thinking power and their interests. Knowledge of this nature prepares good ground for action i.e. collective bargaining. Preparation helps the parties to be more efficient in the actual bargaining.

(b) Negotiators

Usually, committee approach is preferred. The company may decide to use the industrial relations officer or personnel official and some key departmental heads and the company lawyers. It is recommended that all major departmental heads participate on a rotating basis so that they are better educated about bargaining. A lawyer on the team is useful in helping companies evaluate acts and statements of unions, separating feelings, facts, bluffs and conviction. Sometimes experts consider it sound planning to keep the chief executive of the company out of the negotiation process so that they are not forced into giving an instant yes or no in issues that deserve more careful deliberation (Nmadu, T. 199, 215).

(c) Bargaining Strategy

There is the need the organization management work out a basic action plan before entering negotiation hall.

- It must state and outlined the maximum concessions that can be granted to anticipate union demands.
- Avoid conceding any mutual agreement clause to union.
- Management must keep its eye open on the whole package either as the immediate Naira outlay and incremental costs.
- Management must keep its personnel and the public informed of happenings at the bargaining table. The union should not be left as the sole source of information.
- Management must act like they are not afraid of a strike because in the long run neither management nor unions like strikes.

(d) Choosing and using appropriate tactics in negotiation

There are many tactics and tricks that people can use to try to take advantage of others. Fisher and Uri (1981) classified Tricky tactics into three categories which are: (1) deliberate deception (2) psychological abuse or warfare and (3) various forms of pressure tactics:

(a) **Deliberate deception** entails trick such as phoney facts, which are false statement designed to support one's argument or position. Ambiguous authority sited to support one's position or argument and dubious intentions act to force the other parties to an agreement

(b) **Psychological warfare tactics** involves (1) creating stressful situations during negotiation to force others to compromise (2) personal attack and (3) acting a good or bad guy to manipulate negotiation (4) threats can also be used to enforce negotiation.

(c) **Position pressure tactics** are designed to create a good situation that will force the other party to make concessions. They include outright refusal to negotiate, making escalating demands, by re-opening issues that are assumed to have been settled, extreme demands, lock-in-tactics, calculated delays and take it or leave it tactics. A tactics a negotiating party choose should be the one that would be effective in a given bargaining situation.

(e) The contract

The contract is the result of negotiation stipulating in formal terms, the nature of the relationship between management and union over a number of years. Typical contract are of two or three years. Usually, most labour contracts cover union security, grievance procedures, promotions, transfer, layoffs, wages, cost of living, job evaluation, hours of work, absenteeism, holidays, vacations, overtime, incentives, wages, discharges, safety and health etc (Nmdu, T. 1999 P.215)

4.0 CONCLUSION

Industrial Relations is an important aspects of personnel administration which seek to understand the employer-employee relations characterized with perennial conflict in the industry which is resolvable through mutual understanding and respect for the interest of different parties, which collective bargaining provide acceptable official medium for resolving.

5.0 SUMMARY

This unit discussed industrial relations, parties involved in the relationship and their divergent interests which often generate conflict in the industry. The unit also highlight on collective bargaining as machinery for resolving industrial conflict.

6.0 TUTOR-MARKED ASSIGNMENT

Identify and discuss briefly five major activities involved in collective bargaining process.

7.0 REFERENCES/FURTHER READINGS

Agbonifoh B. A et ale (ed) (2005) Management; A Nigeria perspective, Malthous Press Limited Lagos