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**EMERGENCE OF LABOUR CASUALIZATIONS AND ORGANIZATIONAL
PRODUCTIVITY IN NIGERIA**

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ABSTRACT

Employers and management is sometimes baffled with the performance of contract or casual employees. Some of these casual employees are highly trained and possess vast expertise and experiences in their respective fields, yet more often than not they tend to under-perform on the job. This is as a result of the fact that they do not feel belonged in the organization hence the beliefs/saying, "it is not my father's work. Most contract workers are not fully committed to their jobs and lack the motivation to exercise their full potentials. This is because of what they perceive as ill-treatment by the management in terms of compensation and empowerment and the discrimination and snobbery they suffer in the hands of the employers as well as their direct or permanent counterparts. Employee commitment which in turn affects the general performance of the organization has been found to be dependent on how the workers feel about their employer, job satisfaction, the level of motivation and organizational citizenship behaviour
Keys words: management, labour casualization, organization and productivity.

INTRODUCTION

Labour as a form of human resource forms an important part of the factors of production. The success of any organization is determined by the performance of its workers and for this reason; special attention is given to its human resource need in order for them to

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Succeed in an ever changing business environment. Human resource refers to the people working in an organization and measured in terms of the quality and quantity of man-hour employed by an organization, (Zeb-Obipi, 2011). These people often also referred to as labour bring in their skills, abilities, knowledge, and attitude into the organization and with effective and efficient coordination of the other factors of production and with effective and achievement of the organization and with effective and efficient coordination of the other factors of production which brings about the achievement of the organizational objectives and goals.

The process of labour procurement involves recruitment, selection, employment contract, induction and placement. These labours occupy some positions in the organization and are given tasks which are of productive or administrative in nature. Some of these tasks performed by the labour workers are so specialized as well as requires some kind of skills for such tasks.

In order to save costs and maximize profit, some organizations embark on procurement of labour on a casual basis. Labour casualization or workforce occurs whenever workers are employed in a casual, temporary or otherwise non-permanent and non-fulltime capacity (Farr, 2009). The issue of labour casualization in Nigeria is becoming a matter of great concern. Vast number of multinational companies, banks, telecommunication firms as well as the Nigerian National Petroleum Company (NNPC) and its subsidiaries are also using contract workers and non-direct staff to fill in key positions that are permanent in nature. Large numbers of the oil and gas companies are foregoing the full-time junior workers for contract workers. This helps such companies reduce costs and give them the flexibility to hire and fire at will. Such contract or casual workers have limited freedom and do not enjoy all benefits applicable to the full-time or permanent workers, although they may be performing the same or similar job. This creates a feeling of resentment among the casual workers hence hampering their performance and that of the overall organization.

LITERATURE REVIEW

The concept of casualization is becoming a common phenomenon in the Nigerian health society. The rate of unemployment in Nigeria is so high that the issue of labour casualization is not only gradually spreading but also becoming generally accepted. According to Cheadle (2006), the traditional model of employment that is, a permanent full-time employment with one employer until retirement is steadily giving way to less stable and often valuable forms of employment. In this regard, casual worker is defined as anybody that works in the informal sector (employee of self-employed) or a formal sector employee with a casual, temporary or seasonal employment contract or part-time formal sector employee.

Rodriguez (2009) also viewed casualization as an employment of an irregular or intermittent nature. Farr (2009), wrote that casualization of the workforce occurs whenever workers are employed in a casual, temporary or otherwise non-permanent and non-full-time. Danesi (nd) in her "Labour Standards and the flexible Workforce" describes casualization of labour under the Nigerian Labour Laws as a term used in Nigeria to describe work

Arrangements that are characterized by bad work conditions like job insecurity, low wages, and lack of employment benefits that accrue to regular employees as well as the right to organize and collective bargaining.

Casualization in Nigeria is synonymous with cheap labour and maximization of profits. Short-term or contract workers have limited freedom of association. They do not enjoy the full benefits applicable to permanent workers such as their social entitlements and the career paths are often not clearly defined. The casual workers are not necessarily under-qualified but can be workers who are highly knowledgeable, have wide experience on their respective fields of specialization and possess sound expertise skill on the job but are employed on a non-permanent or contract basis. Sometimes, organizations employ casual workers to fill in permanent positions and make them perform similar or same tasks as those performed by the permanent workers yet they do not receive equal remuneration. Russo (2003) explained casualization as being characterized by employment insecurity, irregular work hours, intermittent employment, low wages and absence of standard employment benefits.

NATURE OF LABOUR CASUALIZATION

The term “casual or contract worker” is becoming a usual and constant language in employment relations today in Nigeria. Bodibe (2007) defined casual labour as work conducted for defined period and during peak business periods when individuals are called to supplement full-time workers in times of high business activity particularly in retail. A casual worker is legally seen as a worker engaged for a period of less than six months and who is paid at the end of the day. O’Donell (2004), however wrote that the practice as casual jobs today are commonly understood as jobs that attract an hourly rate pay but very few of the other rights and benefits such as the right to notice, the right to severance pay and most forms of paid leave (annual, public holidays, and sick leave). Casual workers generally suffer low wages, job insecurity, no promotion or training and are usually treated as second class citizens by their employers as well as their permanent colleagues. This treatment extends to job allowances, canteen services, pension plans, health and life insurance schemes, and car loans services.

Theron (2005) notes that the International Labour Organization (ILO) has used terms like disguised employment or triangular employment relationship to define the emergence of subcontractors, independent contractors, home based workers and all manner of in-formalized work. Based on the literature on the subject, Bamidele made the following distinctions within the whole rubric of casual employment: Workers directly employed by a firm on a casual season, fixed term or temporary basis. Historically, these contracts were used to supplement the workforce during period of peak demand like holidays and so forth. However, in the current context, casual employment is steadily replacing permanent employment or Triangular employment relationship in which a labour broker supplies labour to a firm.

The definition of employer in this relationship is tenuous and demands new forms of regulation. For instance, if a firm contracts labour broker to provide workers, it then assumes the responsibility of employer. Workers often identify with a firm in which they have been deployed even though they are employed by the labour broker, especially in cases where the deployment is for an extended timeframe. In this case, what constitutes a workforce is a vexed

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Question for regulators and for workers. Casualization of labour is characterized by dependent economy relations disguised and treated as commercial contract. Independent contractors and home based workers fall into this category of a typical worker.

In the study of Buchanan and Considine (2002), they noted that the topic casual employment is riddled with ambiguity and paradoxes. These problems they argued will be overcome with more research. Making sense of them is the key to understanding the significance, especially for labour productivity and casualization. Hall (2002) indicated that the key challenge in casual employment is not simply to rectify problems experienced by individual casual workers, rather he highlighted that the problem is the processes of casualization itself. The significance according to Hall is that it is integral to labour management strategies that achieve the better deployment and not development of labour. Such an approach to labour productivity improvement cannot continue forever. Any long run growth in labour productivity can be sustained if the capacity for labour to undertake a broader range of activities is increased, (Oparanma, 2015).

In addition, it has been recognized that long term employment relations are of benefit to employers as well as employees. The continuity of association provides the basis for innovation as well as continuity and service provision (Rubbery & Williamson, 1994). The growth in the casual workforce has been the result of both demand and supply factors. On the supply side, casual work facilitates continuity of production and service provision (Rubbery & Williamson, 1994). The growth in the casual workforce has been a popular form of employment as it allows employees to combine work with study or family responsibilities. It can also enable people to get a foot in door if they are seeking permanent employment, or it can provide an alternative to unemployment for people with limited training and work experience who are unable to find a permanent job.

The growth in casual employment has largely been driven by the demand side, that is, the employers. Amid globalization and increased competition, employers are increasingly seeking to run their operation as efficiently as possible. As a result, employers have sought a more flexible workforce. Casual employment provides this flexibility, as employee numbers can be increased or decreased in line with the needs of the business with minimum hassle (Munn, 2004). Cheadle (2006) suggests that there are three kinds of flexibility: employment flexibility (the freedom to determine employment levels quickly and cheaply), wage flexibility (the freedom to alter wage level without restraint, and functional flexibility (the freedom to alter work processes, term, and conditions of employment cheaply). In short, employers want the freedom to pay low wages, change the number of workers and how and when work is conducted.

A variety of positives and negatives have been raised in relation to the growth of casual workforce. On the positive side, as mentioned earlier, casual employment offers workers the combined paid work with other activities such as education, and to employers, it offers a means of obtaining a more flexible workforce. However, where casualization is imposed on workers, this form of employment has been associated with discontent, low wages and lack of career

Opportunities. Casual workers often also face difficulty borrowing money due to the uncertainty of tenure (Munn, 2004). It has been suggested that an over-reliance on casual employment could pose a serious risk to productivity. This is because employers may be less likely to invest in training their casual employees and as a result could lead to deterioration in skills development (Von-Otter, 1995).

In practice, most multinationals operate the three forms of casualization mentioned above. For example, direct contract workers are directly employed for a period of six months after which the contract can be revised or terminated subject to the department or organization's needs. In a situation where such worker is not in good terms with his or her direct superior, such superior could claim that the worker's services are not required any longer, thus terminating the contract. Third party contract workers are employed for a year and their contracts are subject to renewal every year. This group is usually supplied by a labour broker. Other people under the term contract are those under services contract. Usually, the third party contract workers and the service contractors are employed as support staff.

CASUALIZATION AND LABOUR IN NIGERIA

According to a recent report by the Campaign for Democratic and Workers Rights in Nigeria, the number of casual workers in Nigeria is 45 percent of the entire working population. This means that in a factory of 20 workers, nine of them are casual workers. The report continues with the ambition of the employer to reduce costs of population, this number continues to increase, particularly in this period of economic recession. Contract workers are subjected to various degrees of exploitations notwithstanding that they possess the requisite qualifications and skill needed to be employed directly on permanent jobs in which some of them have been rendering services as casuals/contract labour for over 20 years in some cases. The use of casual and contract workers have led to low production and has produced an avalanche of avoidable industrial relations problems in the industries.

EMERGENCE OF CASUALIZATION IN NIGERIA

Labour casualization became a feature of the Nigerian labour market in the late 1980s when the country adopted Structural Adjustment Programme (SAP) in line with neo-liberal policies prescribed by the International Monetary Fund and World Bank (Alozie, 2009). According to Alozie, one of the effects of this policy was the retrenchment of workers in the public sector which created large scale unemployment. However, the private sector which was to be strengthened by government policies to absorb these workers could not absorb all the retrenched workers from the public sector. Therefore, many of them were employed as contract and casual workers with low remuneration, limited benefits and lack of workers' rights.

In Nigeria, the U.S Solidarity Center recently released a report detailing the Nigerian oil industry's shift from permanent, direct employment towards outsourced and temporary labour. The report argues that the casualization of labour is industry-wide and is a clear attempt to reduce the cost of doing business while simultaneously breaking worker's strength.

TRENDS OF CASUALIZATION

According to Aladekomo (2004), casualization as a form of predominant employment practice in Nigeria arose majorly with the collapse of the oil-boom and the introduction of the

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Structural Adjustment Programme by the Federal government in the early eighties. She further opined that the development eventually led to the downsizing and mass retrenchment of skilled people particularly in the urban regions which consequently resulted in numerous cases of unemployment. This resulted in many retrenched workers including graduates engaging themselves in trivial jobs along the streets with very little pay. This practice continued and gradually became popular as employers perceived it as a cheap form of labour. Today, this casualization has become the trend in health care firms, factories, and big organizations such as banks, oil and gas firms, and telecommunication firms.

With great deal of impunity, employers have continuously adopted this type of employment relationship. They believe that casualization is an effective and efficient way of cutting down labour cost, which has been proved to contribute the larger percentage of the cost of running an organization (Armstrong, 2012). The excuse of the management of these organizations had been that the workers being laid off did not belong to the organizations' core business, hence would rather contract out such responsibility to a professional. The proliferation of casualization in Nigeria has meant that many companies have completely done away with full-time junior staff or blue-collar workers in their employ.

SUMMARY

There is a significant effect of labour casualization on organizational performance in Nigeria particularly in the oil companies. Casual employment is linked to negative effects such as decreased job satisfaction, motivation, productivity, and performance as well as increased turnover, stress, occupational injury, and illness levels. In addition, lower job status, reduced job performance and involvement are responsible for increased incidents of physical and psychological illness, lower organizational commitment and bad communication, increase in work or job withdrawal, increases levels of exposure to risk and hazards and more negative safety outcomes (Probst & Lawler, (2006), Allan, (2010), Olamitunji et al, (2011). It is obvious that for any organization that wishes to excel in its daily operations as well as set goals and objectives, there is a need to take into consideration the human aspect of the organization.

Although, casualization of labour has been on the increase in recent time and cannot be easily eradicated, study has revealed that when the relationship between the contract or casual workers represented by their various unions and management is not cordials, it creates room for contempt, resentment, job dissatisfaction, low morale, inefficient performance and reduction in productivity on the workers' side which in turn results in overall system inefficiency and ineffectiveness.

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