



A CAUSAL EXAMINATION OF TRADE UNIONISM AND WORKER'S PRODUCTIVITY

BY

PROF AKPOMUVIRE MUKORO

AND

GOODLUCK OROVWEGODO OFOBRUKU

DEPARTMENT OF PUBLIC ADMINISTRATION, FACULTY OF MANAGEMENT SCIENCES,
DELTA STATE UNIVERSITY, ABRKA

Abstract

The struggle for a better wage gain by the worker may not be convenient for the employer of labour but it at last yields in growth and productivity to the organization through increase in worker's output. Setting up the needed objectives by management is not enough if the productivity of the worker is in a state of quandary. Therefore, it is not a thing of narcissism for workers to congregates an umbrella body to fight for a better service and pay, because its implementation will bring satisfaction which will foment the needed positive zeal from the worker at getting organizational goals achieved. It is for this reason that the paper is aimed at showing the relationship between trade unionism and workers productivity in an organization. The paper adopted the position of management by objective (MBO), to show the nature of relationship that exist between the employer and the employee on the one hand and goal attainment or productivity on the other hand. The paper unravels the place of unionism on workers productivity such as promoting team work, open communication and reduction in job quit among others, and it concluded that because unionism is double edged for both the worker and the organization, it should be allowed to thrive.

Key Words: Unionism, Productivity, Causality, Workplace.

Introduction

Productivity as a goal has usually underlie the fundamental objectives of all human enterprise at any level of human pursuit. However, productivity as a concept can be briefly explained as when profit outweighs expenditure in an enterprise or business. This is the reason why several leadership styles and organizational structure adopts the unitary, centralized and decentralized approach to management. In many cases, the style adopted might be pleasant or unpleasant to the work force so long as results are achieved (Panagiotakopoulos, 2013). But in any case, productivity still depends on what workers are able to churn out on a daily basis which places the worker as a core currency value in the organization. To this end, the Institution of trade unionism which was created for the purpose of worker's welfare becomes a double edged sword that has dual value for both the organization and the worker, if introspection is properly carried out.

This is the reason why the emphasis of this paper is aimed at sifting out the gains of unionism to the employer as well as against the popular assumption that trade unionism is anti-management. It is true that much can be achieved when things are designed to make all parties involved to be happy since it creates the sense of inclusion and positive stakes by all parties whose

interest are meant to be achieved at the end of the day (Eluwa, 2019).

Conceptual Review

Productivity as a concept

The term productivity can explained to mean the act of yielding profit or making a turnover out of what is invested. However, according to the International Labour Organization (ILO, 2005), productivity is defined as a relationship between outputs and inputs which rises when an increase in output occurs with a less than proportionate increase in input or when the same output is produced with fewer inputs. In simple terms, we can refer to productivity as a measure of production efficiency which relates to how efficient and effective the resources (input) are used to produce output; that is goods and services (Mohammed, 2023).

Productivity can also be considered in monetary terms as if the price received for an output rises with no increase in the cost of inputs, it is seen as increase in productivity (David, 2023). It can further be defined as the relationship between output generated by a production process or service system and the input provided to create this output. According, to Bolman and Deal (2013), technically; it is expressed as the ratio of output to input. While mathematically, it can be expressed as input: such

as factors of labour, capital, raw materials and information used in the output creation process while the output itself relates to the end product of the production process which comes in the form of either goods or services for consumption (Prescott, 2014).

The above output-input ratio indicates that higher productivity simply means achieving more in terms of output with the same amount of resources (inputs) or achieving the same level of output in terms of quantity and quality with a reduced amount of input.

The Essence of Productivity

The true essence of productivity has suffered and continues to suffer several misconceptions. It has too often been confused with several related but distinct concepts which are:

Productivity and Profitability

High productivity does not always imply high profit. If what is produced is not in demand profit may not be realized. The reversed is true that rising profit might be made through price increase even when productivity is on the decline (Dugbo, 2013).

Productivity and Output

An increase in output might not necessarily mean improvement in productivity. If the rising output is at the expense of excessive inputs, that is if input cost have risen disproportionately the ratio will either remain unchanged or might even decline (Dugbo, 2013).

(a) Productivity and efficiency

Productivity and efficiency are sometimes used interchangeably but technically they are different concepts. Whereas efficiency, stresses the importance of time productivity stresses the need for good service (Eze, 2015).

(b) Productivity and Production

Productivity and production are viewed as interwoven but they remain a separate concept and entity. Productivity as a matter of fact is not accomplished by working harder but by working intelligently (Bogban, 2017).

Productivity is not only about production but as a concept it is measured in all kinds of organization or systems including services. For this reason, some have also defined productivity as a state of mind and attitude that seeks for the continuous improvement of what exists (Aino, 2022). It is a conviction that for any particular task like playing of game, one can perform better today than yesterday and that tomorrow one can play the same game better than today.

For the individual work productivity can be understood as the relationship between the volume of specific work accomplished and the potential capacity of the worker (Grace, 2015). While for the enterprise it is the relation between the value added and the cost of inputs consumed.

At the national level, productivity is the ratio of national income to national expenditure (Stone, 2014). At the national and enterprise level, policy making productivity is the point of emphasis. However, the national income and welfare is directly related to improvement in productivity (Ogara, 2019).

As resources dwindle rapidly, standard of living can be achieved through increase productivity. Difference in productivity explains the reason why some countries with few resources enjoy higher growth rates and improved living conditions while countries endowed with abundant resources are poorer (Jack, 2019).

Productivity Measurement

Productivity measurement enables management to objectively and concretely assess their company performance. Objectivity is achieved as assessment is based on real figures which involves actual sales made and true measures of resources used by the company in a particular time (Amin, 2016). For both individual company and inter firm comparison projects, the data required for the overall analysis of productivity performance are obtained mostly from the financial statements of the company.

According to Amaimin (2018), the use of balance sheet, detailed profits and loss accounts, detailed manufacturing or trading account and number of employees are used when determining the level of productivity in an organization. Objectively, productivity becomes comprehensible when considered within these maxims

(a) Value Added

It is a measure of wealth created by organizations through its activities. For example, a manufacturing company buy raw materials from its supplier and through the production process, the company transform the raw material to finish produce which are finally sold at a higher rate. In this way, wealth has been created alternatively and value has been added (World employment report, 2017). According to Eesuola (2017), the wealth or value added by these parties are in turn distributed as wages and salaries for employees, interest for providers of capital, taxes for government and profit ploughed back into the company for future expansion.

(b) Workers Output

Workers output is generally understood as the ability of an employee to take input (instructions, or directions, work tools, requirement) and turn them into output or results. Effectively, it is the measure of how employee produces input and turn it into output in a given period of time (Ago, 2023). According to him people work better when they know what they need to do, how to do it and why it matters. In the work

of Jalwa (2023), the steps needed to achieve workers output are discussed as follow;

(i) Help them understand why their work matters and give them a sense of purpose

(ii) Give them autonomy such as providing a flexible working environment, or let them set goals meaningfully for themselves in alignment with company's objectives (Area, 2018).

(iii) Stop micromanaging employee and start to trust them

(iv) Create a positive work environment that gives them opportunity to grow through taking up new task, learning new skills and working toward promotion (Eluwa, 2019).

(v) Let employees become better at what they do by developing mastery of their task through access to training.

(vi) Challenge employees appropriately by increasing accountability and responsibility. This should be with good reason and at the right time (Owen, 2015).

(vii) Encourage self-care and employee well being. Sometimes having a duvet day is far more important and beneficial than sitting at a desk (Persomio, 2022).

Acknowledge their effort, say thank you and appreciate them.

Offer appropriate incentives so employees will put in a bit more effort into the job

Communicate clearly, frequently and meaningfully with employees

Provide constructive feedback and support when they are not performing as needed.

(viii) Use modern and appropriate technology, ideally one that simplifies workload rather than complicating them to help employees do more of what they enjoy.

Arguing further Aino (2022), came up with certain steps to assist workers to improve on their productivity, which are further expanded as follows:

(i) Positive Work Environment

A positive work environment is one of the key factors that can improve employee productivity. Employees who feel comfortable and happy about there are more likely to be productive than those who do not (Agbele, 2019). Creating a positive work environment is the mother board of all productive activities in an organization. Conditions of reward, peaceful and human relationship between boss and workers, promotion, prompt payment and a better remuneration with good incentives are factors that make for a positive work environment (Ababi, 2018).

(ii) Employee Recognition

Global thought leaders like Jeremy Scrivens (2023), recommended thriving cultures of recognition as a responsibility to celebrate small and large success as well as learning from failure. When employees feel

appreciated for their hard work they are more likely to be motivated to continue working that extra mile. That is how they differ from silent quitters who only do what is expected of them.

(iii) Training and Development

When employees feel like they are constantly learning and growing on their job, they are more likely to be engaged in their work and less likely to become bored (overqualified) or frustrated (Unable). Additionally, offering training and development opportunities can help to attract and retain top talent (Aino, 2022).

(iv) Clarity and Purpose

When employees have a clear understanding of the company purpose and goals, they are more likely to be productive in their work. This is because they will know what is expected of them and will be able to work towards specific goals (Assass, 2021). Companies must communicate their purpose clearly to all employees so that everyone are properly aligned.

(v) Regular Feedback

When employees receive feedback on their performance on a regular basis, they will know what areas they need to improve on and will be able to make changes accordingly. Additionally, regular feedback can help to build trust between managers and employees (Abeba, 2015).

(vi) Provision of Adequate Resources and Mandate

Another key element of a productive work environment is to provide employees with adequate resources. Make sure they have the tools and materials they need to do their jobs and access to the information they need (Agba, 2015).

(vii) Collaborative Communication

Encouraging the employees to share ideas and concerns and making sure they feel comfortable doing so. An environment of open communication enables employees to feel more engage in their work (Ogbaivo, 2015).

Promoting Teamwork

According to Aino (2022), promoting team work is another key element of a productive work environment. Encouraging employees to work towards a common goals and providing opportunities for them to collaborate on projects enables productivity. Team work enables employees to feel more connected to each other.

Why Trade Unions Are Interested In Productivity

The main objective of trade unionism is to improve the standard of living of workers, however, this can only be done or achieved only if jobs of high quality (decent) are created and wealth is generated. It has been established beyond doubt that high productivity lead to higher standard of living via wealth creation.

Therefore, if productivity increase, the living standard of workers will also increase (Aino, 2022). It is on this note that Mohammed & David (2022), expounded much on it as follows:

(i) Productivity and Income

There is a strong macro-economic and statistical evidence that the more effective or productive the national economy is, the higher the personal income of workers. At the enterprise level, when productivity is higher the employer will have the capacity to pay higher income and the union will achieve improved wages and salaries for their members and of course the dues that members will pay will also increase (Economic Policy Institute, 2023).

(ii) Productivity and Poverty Reduction

When a country is productive, it means more national income for social distribution for the young, old and handicapped. Higher productivity also lead to higher profits for investment and ultimately for economic growth. Therefore, higher productivity packaged with good distribution and development policy such as education, health and social protection is best available means of poverty reduction (Clolin& Lin, 2021).

Productivity and Promotion of Employment

The more productive an economy, the competitive that economy is in the global markets and the lower the unemployment rate in that country. At the micro level, the more productive a company, the more competitive it is in the economy and the more profit it can generate if favorable conditions are created for investment and the company plough back part of its profits in new investments, new jobs will be created and unemployment will reduce. The social benefits of full employment are obvious (Uchechukwu, Millicent & Abubakar, 2023).

(iii) Productivity and Labour Standards

The observance of the principles underlying international labour standards contributes to long term productivity and competitiveness. A sure way of promoting labour standard is to practically promote them in package with measures of productivity improvement (Jack, 2019). Productivity growth can also provide a strong financial base for introducing more labour standards without undermining competitiveness. Therefore, if productivity movement is properly introduced into companies and national strategies, it has the potential of promoting decent working conditions and improvement in the general quality of life in the country (Ichniowski& Shaw, 2013).

Theoretical Framework

The paper adopted Management by Objective (MBO) theory to scientifically

interrogate the ecology of the working relationship between the employee and management and the process of achieving productivity in a well-defined thought-out order. Management by objective also known as management by, results (MBR) is a theory of management developed by Peter. F. Drucker in his book. The practice of management (1954). In this book, Drucker used MBO as a management system in which the employee work together to develop areas of responsibilities for the workers. It is a control system where jointly developed business objectives are made to align with company goals developed by managers and employees and the set standard are used as metrics to determine an employee performance. MBO was developed based on the belief that employees perform better when they understand what is expected of them. It allows employees to associate their individual efforts to the objectives of the organization (Jason, 2023).

Furthermore, allowing employees to have a say in the goal setting process and planning functions encourages participation, dedication and loyalty among employers while aligning objectives across the organization. In the work of Drucker (1954), management by objective are achieved through:

(i) Establishing Objectives

Objectives are the specific things to be achieved in furtherance of the company's goals within a given time frame, primarily developed by managers and employees working together (Emma, 1998).

(ii) Develop Action Plans

It allows subordinates to achieve the specifically identified objectives through coordinated efforts. These action plans are developed by managers and employees (Jason, 2023).

(iii) Result Appraisal

Managers measure and appraise the specific performance of individuals. The appraisal is a based upon efforts and progress towards the completion of the objectives stated. Basically, it compares what is accomplished against what is expected. There is daily feedback and the focus is on reward rather than punishment. Personal growth and development are emphasized here while the manager provides continuous support and commitment to the employee (Gordon, 2020).

(iv) Collective Action

Managers used the appraisal result to make corrective actions. This may include additional efforts to motivate employees, modify objectives, plans or goals accordingly (Drucker, 1954).

(v) Evaluate and Reward Employee

This involves honest feedback on what was achieved and not achieved by each employee and provide a reward system for the hardworking employee in the organization (Oleya, 2019). With a clear idea of management by objectives (MBO), employees are aware of what is expected of them because goals are assigned duly to them through effective communication (Odun, 2023).

The Role of Trade Unionism on Workers Productivity

According to Freeman and Medoff (1984), the following are considered as the gains of trade unionism to workers productivity in an organization:

(i) Open communication

By providing workers with a means of expressing discontent at the workplace, unionism can reduce the extent to which workers quit their jobs since issues are amicably settled from time to time. In this process grievances are better handled (Agbaka, 2014).

(ii) Innovation

Unions can induce managers to alter methods of production and adopt more efficient personnel policies. Its activities may improve workers morale and motivation to produce more than what is expected in the organization. When the potentiality of arbitrary lay off or sack is highly reduce, consequently the employee is more likely to see his or her employer as been fair (Christos & Patrice, 2021).

(iii) Identifies Preferences of Workers

Unions collect information about workers preferences, thereby, permitting the firm to choose a better or more efficient mix of wage and policies (Melowe, 2019).

(iv) Improved Decision Making

The open channel of communication between the workers and the managers has always led to better decision and ways of handling issues to bring about a better work environment and increase in productivity of the worker in the system (Benared, 2016).

(v) Improved Morale and Cooperation

The ability to pull together to achieved a common course thus improve cooperation and a positive morale in doing their task as workers in the organization. Once voice and one decision (Agbaka, 2014).

Conclusion and Recommendations

The enterprise of trade unionism in the business environment is core to managerial and organizational productivity. Though the employer

of labour seems to have a wider advantage since he is an employer, but there must exist better harmony and truce between the employer and the worker because the workers are humans with life, goals and aspirations, sadness, sickness and good health alike unlike the machines or any other working tools used to achieve task.

And it is safe to mention that even with the natural weakness of the worker the employer cannot do without them because nature makes it so that that everyone needs everyone to succeed at any level of human productivity that is why there must always be a way out created to enable free flow of successful task in achieving goals. It is of this essence that trade unionism is sacrosanct in any business environment.

But it is sad to state that with the natural status quo of things trade unionism has at most times been demonized or outlawed even in a democratic setting because of the narrow conceptualization given to it especially by the employer, due to the fact that they believe that unionism is designed or formed to hinder their progress. Forgetting that the universal declaration of human rights in 1948; clearly abrogate slavery whether in a business environment or anywhere in the world and thus the worker have the right for better conditions of service and it is not the case of the piper dictating the tune. But rather a trade by barter, were the employer has the facility while labour has the skill.

Apart from the above notations, it will be a missing link not to mention that the activity of trade unionism is a double coin, in which the other side favours the organization. After all, it enhances the needed productivity expected. To this end the organization of trade unionism and its activities should be allowed to thrive because all that the worker wants at the end of the day is a fair and better conditions of service.

References

Ababi, A., (2018), *Trade unionisms: Historical approach*. Uyo: Grace Ville
Abeba, C., (2015), *Nigeria and her workers in the modern era*. Enugu: Vincent Press.
Agba, O., (2015), *Development studies*. Calabar: Udwak Publishers.
Agbaka, M., (2014), *Workers productivity: Human capita growth*. Warri: Hill top Publishers.
Agbele, A., (2019), *The bottom approach to workers unionizing*. Kogi: Busty Publishers.
Ago, N., (2023), *Motivation and productivity*. Benin. Otu Publishers.
Aino, P.O., (2022), Trade unionism. *Journal of Social and Management Studies*, 6 (11), 21-22.

- Akpai, U., (2020), *The foundation of workers welfare and productivity*. Uyo: Akpai Publishers.
- Amaimin, V., (2018), Unionism and conflict interest resolution. *Journal of Labor Research*, 26 (1), 21-30.
- Amin, A., (2016), Productivity and work force strength. *Journal of Business and Economics*, 1 (14), 21-22.
- Assass, A., (2021), The workforce and productivity. *Journal of development and Productivity*, 8 (10), 31-33.
- Bogban, E., (2017), Ecology of productivity. *MSU International Development Papers*, (1), 22-30.
- Bolman, L.G., & Deal, T.E., (2013), *Refraining Organizations: Artistry, choice and leadership in* Jossey Bass. Ogun: A Willey Band.
- Christos, P.O. & Patrice, W., (2021), *The business environment*. Akoko: Okoh Publishers.
- David, P.O, (2023), *Labour productivity in the informal sector*: Massachusetts Institute of Technology.
- Drucker, F.P., (1954), *The Practice of Management*: Harper and Row. New York
- Dugbo, G. (2013), Trade unionism and its role. *Journal of Organizational Management*, 12 (20), 19-25.
- Eesuola, O., (2012), Behavioral approach to Political Protest: Analysis of Fela Anikulapo Kuti. University of Lagos. PhD dissertation.
- Eluwa, E., (2019), *Managing workers productivity and the system*. Bayelsa: Tamowe Publishers
- Emma, A., (1998), Readings in Nigeria public policy making and analysis: Eregha Publishers
- Freeman, R. & Medoff, I., (1984), Industrial mobility and union voice in the labour market. *American Journal of Economic Review, Paper and Proceedings*, 66 (2), 361-368.
- Grace, V., (2015), *Managing human resources*. Imo: Nkem Publishers
- Gordon, G., (2022), *Managing the firm*. Warri: Peace Publishers
- Stone, V. (2022), Trade unions and workers development. *Journal of African Studies*, 3 (6), 12-13
- World employment report(2005): Employment productivity and poverty reduction