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The industrial action in a modern industrial civilization is amongst the most complex and dynamic concerns. In everyday life, whether with oneself, others, organizations, or cultures, conflict is unavoidable. Disputes amongst employers and workers shows how revenue should be distributed, how work should be performed, and how long and hard individuals should work can lead to conflict inside a company (Chinedu, Vincent, Enaini Stella and Abaniwu, 2018).

Incompatibility of needs, ideas, attitudes, values, or priorities among team members can also lead to conflict. (Kimani, Thomas and Arasa, 2017), Conflict, **on the other hand**, has an unexpected conclusion that might be either positive or detrimental. (Arogundade, Bankole and Oyeniyen, 2020). The management of compensation is a problem which has recently attracted significant attention.

This is due mostly to unequal/inadequate remuneration packages, which involve different disputes and strikes. Nigeria's educational system has been failing. Many Nigerian institutions have ineffective or non-existent reward systems, which can lead to conflict. As a result, businesses are utilising incentive management to meet, meet, and ensure the effective operation of their employees.

The incentives system has a key role in enhancing personal performance in an organization, according to Ahmed and Shabbir (2017). An employee's skill can be strengthened by providing

**Compensation Management And Industrial Action In Work Organization:
A Study Of Lagos State University (Lasu), Ojoo - Nigeria**

BY

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**BEING A PROJECT SUBMITTED IN THE DEPARTMENT OF INDUSTRIAL
RELATIONS AND PERSONNEL MANAGEMENT, COLLEGE OF HUMANITIES,
MANAGEMENT AND SOCIAL SCIENCES IN PARTIAL**

FULFILMENT OF THE REQUIREMENTS FOR THE

AWARD OF THE DEGREE OF BACHELOR OF

SCIENCES IN INDUSTRIAL RELATIONS AND PERSONNEL MANAGAMENT

MOUNTAIN TOP UNIVERSITY

IBAFO, OGUN STATE

NIGERIA.

SEPTEMBER, 2021

CERTIFICATION

This is to certify that Adegelu Beulah Boluwatife has completed the project in partial fulfillment of the award of Bachelor of Science degree of Industrial Relations and Personnel management, Faculty of Management Science, Mountain Top University, Ogun State.

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DATE

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DR.OLANIPEKUN OJO
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DATE

DEDICATION

This project is dedicated to God Almighty for his immeasurable love, grace and protection, throughout this research work and to my supervisor Dr. Johnson Ogundele.

ACKNOWLEDGEMENTS

I must express my gratitude to all those who contributed in one way or the other to bring about the completion of this research work. First and foremost, my unfailing gratitude goes to God Almighty, the creator of life who has never failed me and will never fail me, to Him alone be the glory.

I unpretentiously appreciate my supervisor, Dr. Johnson Ogundele for his solid support, guidance and constructive criticism that brought this work to completion. He has always been there for me.

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To my loving and caring parents for their moral and financial support and to my siblings and my friends, I thank you all for the support in one way or the other.

ABSTRACT

The industrial action is a recurring decimal in labour management relation. That is where workers and employer meet in the name of production or work, conflict is inevitable it is on this basis the study examined compensation management and industrial action in work organization: a study of Lagos state university (LASU), Ojoo - Nigeria.

The research employed the Marxist theory and Pluralistic perspective as framework. The age respondents were a total of three hundred and eighty respondents which representing 50.0% male and 50% represents female which implies that there is equal number of male and female who participated in this survey. As a matter of fact, it was revealed in the study that majority of the respondents (35.0%) disagreed with the issue of employees' salaries/wages being regular thereby causing no work stoppages. Similarly, 35.0% which represented the majority did not agree with the buoyancy of employees' salaries that could prevent industrial action. It was equally shown that the University management of LASU did not handle pension benefits and arrears effectively in order to prevent strike action as claimed by 38.7% of the respondents. Hypothesis 1 showed significant relationship between employees' salaries/wages and work stoppages. Hypothesis 2 revealed a significant relationship between indirect compensation and strike action. Hypothesis 3 indicated no significant relationship between retirement plan and labour – management rift. Hypothesis 4 showed significant relationship between employees' pay rise and picketing in the workplace.

Since conflict has come to stay between labour and employer in work relation ,it should be well managed. It was therefore recommended by the study that union leaders and management in LASU should regularly undergo training in conflict management skills in order to pave way for appropriate ways to manage rift at any point in time. It also recommends that the management of LASU should ensure workers participation in management as a platform to establish industrial peace and harmony in the workplace.

Keywords: Industrial action, Conflict management, Compensation management.

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CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

The industrial action in a modern industrial civilization is amongst the most complex and dynamic concerns. In everyday life, whether with oneself, others, organizations, or cultures, conflict is unavoidable. Disputes amongst employers and workers shows how revenue should be distributed, how work should be performed, and how long and hard individuals should work can lead to conflict inside a company (Chinedu, Vincent, Enaini Stella and Abaniwu, 2018). Incompatibility of needs, ideas, attitudes, values, or priorities among team members can also lead to conflict. (Kimani, Thomas and Arasa, 2017), Conflict, on the other hand, has an unexpected conclusion that might be either positive or detrimental. (Arogundade, Bankole and Oyeniyen, 2020).

The management of compensation is a problem which has recently attracted significant attention. This is due mostly to unequal/inadequate remuneration packages, which involve different disputes and strikes. Nigeria's educational system has been failing. Many Nigerian institutions have ineffective or non-existent reward systems, which can lead to conflict. As a result, businesses are utilising incentive management to meet, meet, and ensure the effective operation of their employees.

The incentives system has a key role in enhancing personal performance in an organization, according to Ahmed and Shabbir (2017). An employee's skill can be strengthened by providing rewards to his staff. Management expects staff to adhere to the regulations and introduce revolutionary innovations and improvements to improve their work. On the other side, employees expect a fair pay, improved and safe working environment from the firm (Preatheepkanth 2018). The organization should in this case set up a mechanism that ensures balance or strikes a balance that enhances the harmony between management and personnel. The rewards system aids to ensuring the intact self-assurance of employees in Kimani, Thomas & arasa (2017) in Danish and Usman (2010).

In exchange for their input into the organization, compensation is the compensation paid by the employer to the employees. It is formal and involves balancing the relationship between work and employees by providing employees with tax and non-financial perks. According to Barney

(2015), compensation processes on compensation Philosophies and strategies are established and comprise arrangements that are developed and maintained as represented by policies and strategies, guiding principles, structures and processes for the delivery and maintenance of appropriate pay, benefits and other methods of compensation. Compensations are that the HRM functions contend with every type of prize that people obtain for the work of activity structure reciprocally. The exchange of relationships is mostly associated. Workers exchange money and company benefits for their work. Monetary compensation can include remuneration directly or indirectly (Bhavani, Shree, Bharathi & Manjunath, 2016).

Nigeria's especially public educational institutions, (universities) have experienced discord and instability due to poor pay in Universities in Nigeria and other forms of industrial dispute (Arogundade, Bankole and Oyeniyan, 2020). This has led to low educational system productivity in Nigeria. Most of these issues arose due to persistent industrial disputes that underfunded or poorly funded excellent education (Mukoro, 2020).

It is against this background the study will examine compensation management and industrial action in Lagos State University, Ojoo – Nigeria.

1.2 Statement of Problem

Management and workers are the principal movers of the entity's set operations; therefore, an organization exists because of their efforts. This indicates that the employer and the human resources department have a solid working relationship. Industrial action is vital because it promotes employee dedication, which helps businesses achieve their objectives. The key supporter of industrial action has been identified as the compensation mechanism.

The Nigerian labour market is characterized by controversies, non-implementation of collective agreements, and superseding. Over the years, Nigeria has experienced a slew of industrial disturbance, at the expense of peaceful industrial cooperation among its workforce (Yusuf, 2018). In recent years, industrial unrest in Nigeria's educational sector, notably in higher schools, has reached new heights. The government's persistent grievances and battles with various unions in tertiary institutions have been extensively reported, resulting in negative consequences such as a drop in the institutions' and employees' performance. (Agba, Ushie; & Agba, 2009).

Furthermore, the scope of this problem can be better understood when viewed in the context of its broader societal ramifications. The most vulnerable students are left at the discretion of their fate. These students may pose a social threat to society if they are caught engaged in social vices such as stealing, drug misuse, political thuggery, prostitution, and so on. The effects of the fight are borne mostly by parents, as it places undue strain on household economies in terms of psychological stress and resource waste (Inés and Pedro, 2015).

There were several reasons and explanations for the stormy relationship between labour and management. This is due to the incapacity of the management and the government to respond promptly via dialog with labour union officials and ill-informed policy solutions to problems of discontent. More crucially, the government's lack of political will to comply with the agreements signed with labour syndicates and its willingness to break treaties. It should be noted that most of these discrepancies were caused by misconceptions concerning compensation. Compensation systems, both financial and non-financial, are a significant topic to deal with since the degree of industrial action must be determined directly or indirectly.

In advancing the long-term national development process, education is vital. This is a result of the key role it plays in national development. In the tertiary education sub-sector of the country, however, industrial disputes unhappily persisted. The solution of this mostly monetary and non-monetary compensation package dilemma will go much further towards securing future prosperity while lowering other vices. (Arogundade, Bankole and Oyeniran, 2020). Studies on reward systems have been conducted on various variables with positive results, such as Edirisooriya (2014), Bello and Adebajo (2014) in Nigeria, to name a few. These previous researchers conducted their studies on reward and various dependent variables such as productivity, performance, satisfaction, and commitment, to name a few. It is worth noting that none of these researches looked into the possible link or connection between employee reward management and industrial action, which is a big issue or challenge in Nigeria's public sector. Therefore, the study focused on how financial reward affects industrial action with reference to the Lagos State University, a public University owned by Lagos State Government.

1.3 Research Questions

This study seeks to provide answers to the following questions:

- I. What is the link between employees' salaries/wages and work stoppages?
- II. What are the effects of indirect compensation (allowances, bonuses and arrears) on strike action by employees?
- III. To what extent does the university retirement plan for employees promote labour-management rift?
- IV. How does employees' pay rise occasioned by yearly promotion enhance any form of picketing?

1.4 Objectives of the Study

The main objective of the study is to examine the relationship between compensation management and industrial action in the Lagos State University (LASU), Nigeria.

The specific objectives include:

- i. To examine the link between employees' salaries/wages and work stoppages.
- ii. To investigate the association between indirect compensation and strike action by employees.
- iii. To verify the relationship between the university retirement plan and labour-management rift.
- iv. To examine the link between employees' pay rise and picketing in the workplace.

1.5 Research (Null) Hypothesis

In line with the objectives above, the following hypothesis will be tested:

1. H_0 : There is no significant relationship between employees' salaries/wages and work stoppages.
 H_1 : There is significant relationship between employees' salaries/wages and work stoppages.
2. H_0 : There is no significant association between indirect compensation and strike action by employees.
 H_1 : There is significant association between indirect compensation and strike action by employees.

3. H₀: There is no significant relationship between the university retirement plan and labour-management rift.

H₁: There is significant relationship between the university retirement plan and labour-management rift.

4. H₀: There is no significant relationship between employees' pay rise and picketing in the workplace.

H₁: There is significant relationship between employees' pay rise and picketing in the workplace.

1.6 Significance of the Study

This study is predicted to be of tremendous value to people in high managerial cadres in government ministries, parastatal, agency and private sectors. For top managers, the information offered by this study will support the construction of industrial action-enhanced remuneration mechanism that will be acceptable to the employer and satisfactory to the employees.

In addition, the study will give information on the impact of indirect compensation (allowances) on industrial action in the public sector. This will also aid in the creation and implementation of acceptable remuneration mechanisms for employees in order to increase their commitment and productivity.

The study's findings will aid in determining where modifications are needed to be done in order to create an effective compensation package that will enhance industrial action in the university system and recover the institution's lost glory and reputation. Furthermore, this study seeks to provide information on how recognition of employees' spectacular achievements by the employer can be utilized to enhance industrial action. The study will also provide information on various types of recognitions available. It will aid in the construction of suitable compensation packages for employees, enhancing individual growth, self-esteem, and industrial stability in the system.

Finally, the findings of this study will add to the body of knowledge. It will fill identified gaps in the literature and provide answers to the research topics indicated above. It will also serve as a reference for students in the Lagos State University and other schools who may be interested in

conducting more research of this sort, and, most importantly, the report of this study will add to current knowledge in research methodology.

1.7 Scope of the Study

The objective of the study is to examine the relationship between compensation management and industrial action in an organization. On this account, Lagos State University (LASU) is chosen as the case study. Therefore, the research is limited to Lagos State University in Lagos, Southwest Nigeria.

1.8 Definitions of Terms

COMPENSATION: This refers to the direct and indirect compensation offered to employees depending on the job's value, their personal contributions, and their performance.

INDUSTRIAL HARMONY: This is a state of balance between the employer and the employees that is clear of industrial actions, picketing, strikes, and other forms of unrest.

EMPLOYEES: An employee is a person recruited by a company to do a specific task.

ORGANIZATION: A group of people who form a company to fulfill a specific goal.

UNIVERSITY: A first-tier higher educational institution.

POLICY: an action taken and followed by organisations, governments, rulers, political parties, etc.

INDUSTRIAL ACTION: Industrial action is defined as any action performed by an employee or an employer to prevent the performance of an employment contract.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter provides a critical review of the concepts, theories and empirical studies that are relevant to this research work.

2.1 Conceptual Review

Compensation management entails a double exchange between an employee and a labour employer. It is a contract that stipulates the payment of wages and salary in exchange for work performed (Zakari, 2018). Compensation is one of the most important areas of human resource management, affecting both employers and employees. It is the single largest cost item in any organization for the employer, while it is a method for the employee to meet his or her demands, which may be social, psychological, political, or economic. In addition to the above, compensation is a key source of conflict and disagreement, which can contribute to organisational conflict. Organizations strive, with varied degrees of success, to harness the enormous powers of remuneration as a motivator to motivate people to perform in ways that contribute to the attainment of corporate objectives.

Wage and compensation management are two terms that are frequently used interchangeably. (Dessler, 2017). Wage, in its most basic sense, is the sum of money paid to a worker for services done. Wages, on the other hand, are compensation or payment paid in addition to the base salary for overall services rendered. Allowances, benefits, and other financial assistance such as bonuses, worker compensation, holiday pay, leave allowances, overtime, and so on are included (Fapohunda, 2012).

Compensation is defined by the International Labour Organization (2001) as a payment system based on labour, efficiency, and productivity. It includes a salary or wage, as well as all allowances and financial benefits paid to an employee in cash or in kind in exchange for services provided. Compensation, according to Henderson (2000), is any form of payment given to employees in exchange for labour performed for their employers. Compensation might come in the form of a direct or indirect payment. French (1998), states that indirect remuneration is in form of benefits such as healthcare, insurance, pension and others.

Wage/salary payment is the single most significant commitment due by an employer to an employee, according to Oyedele (2016). Wage/salary administration, on the other hand, has always been a point of friction in Nigerian labour-management relations. Wage/salary administration that is handled incorrectly has a negative impact on employees' attitudes toward work and fosters unethical behavior such as theft, bribery, and corrupt activities at work (Agbanike et al., 2020). Wage setting should ideally be the result of negotiations between the employer and the employee. However, wages and salaries in Nigeria, particularly in the public sector, have been heavily affected by pay commissions since the country's independence.

2.1.2 Concept of Compensation Mechanism

The process of establishing and sustaining an equitable wage and salary structure, as well as an equitable cost structure, is known as compensation management/mechanism. Job evaluation, wage and salary surveys, profit sharing, and pay cost control are all part of it. The two most important functions of compensation are:

- ❖ Equity function;
- ❖ Motivation Function.

Human resource management is responsible for compensating employees for their services. To attract and keep exceptional personnel, every firm must provide competitive salaries and benefits. All employees in today's society need to be motivated and rewards are a key part of that. Employees are primarily motivated to reach a reasonable level of productivity through rewards. Incentives such as pay, promotion, and various types of bonuses are used by every company to inspire employees to perform at a high level (Irshad, 2016). According to Edirisooriya, the rewards that result from doing a task, providing a service, or fulfilling an obligation (2014).

Although remuneration is the major motivator for employees to perform their jobs, many companies also provide incentive packages that go beyond wages and salaries. Bonuses, pension plans, health insurance, assigned automobiles, beneficial loans, subsidized lunches, profit sharing, share options, and much more are generally included in the packages (Agwu, 2013). Most firms use a variety of incentives to promote employee performance. Regrettably, it is still unknown which types of incentives have the most influence on people's behavior and performance. Incentives are "positive outcomes produced as a result of an employee's performance, related to organizational goals," according to Salah (2016). Individuals are

frequently rewarded when they aid an organization in accomplishing one of its goals. There is a lot of consensus in the studies when it comes to the types of rewards used in real-life situations.

The following are the fundamental purposes of management compensation:

- i. Efficient maintenance of a productive workforce,
- ii. Equitable pay and compliance with federal, state, and local standards depending on what companies can afford.

As the name implies, compensation management entails establishing a pay structure in which employees who perform better than the average performer are compensated more (Livinstone, 2015). It encourages top achievers to work harder and contributes to the establishment of a competitive environment in the workplace.

2.1.3 Significance of Compensation Mechanism

In a commercial organization, the compensation and reward system is critical. Since the four Ms, namely Men, Material, Machine, and Money, are intertwined. The most crucial aspect has always been men; it is impossible to envision a business process without them. Every component adds to the production/business process. Rent is the return expected by the landlord, capitalists expect interest, and organizers, i.e., entrepreneurs, expect profits from the business process. Similarly, the labour expects to be paid as a result of the procedure. Labour plays a critical role in setting the production/business process in motion. Expectations, emotions, goals, and egos are among the other human elements. As a result, workers want a fair part in the business/production process. As a result, every business must have a fair remuneration structure in place. A fair compensation system will help an organization in the following ways:

1. It will boost employee morale, productivity, and cooperation. It would offer satisfaction to the workers because it is right and fair.
2. A system like this would assist management in complying with numerous labour laws.
3. A mechanism like this should be able to resolve disagreements between employee unions and management.
4. The system should adhere to the equal pay management principle.
5. It should promote and stimulate those who perform well, as well as create possibilities for those who want to succeed.

6. A good compensation/reward system promotes harmony to the employer-employee relationship. An excellent pay scheme will have a favorable impact on staff productivity and results. It will motivate staff to improve their performance and meet the set goals.
7. It will improve the job evaluation process. It will also aid in the creation of an ideal work evaluation, with the established requirements being more realistic and feasible.
8. A system like this should be well-defined and consistent. As a broad system, it will be applied to all levels of the organization.
9. It will boost employee morale, productivity, and cooperation. It would offer satisfaction to the workers because it is right and fair.
10. An excellent pay scheme will have a favorable impact on staff productivity and outcomes. It will motivate staff to improve their performance and meet the set goals.
11. It will improve the job evaluation process. It will also aid in the creation of an ideal work evaluation, with the established requirements being more realistic and feasible.
12. A system like this should be well-defined and consistent. As a broad system, it will be applied to all levels of the organization. The method should be simple and adaptable, allowing each employee to calculate his or her own remuneration.
13. It should be simple to implement and should not result in worker exploitation.
14. It encourages employees to work hard and effectively by encouraging healthy competition among them.
15. The system gives worthy personnel with opportunity for growth and progress.

2.1.4 Reward and Compensation

Employees are today seen as one of the company's most precious assets, and they must be treated as such (Copeley, 2015). According to Teeseema and Soeters (2006), compensation is an important part of the employment contract since it includes both direct financial rewards and indirect compensation in the form of employee benefits and incentives that drive workers to strive for higher levels of performance. A strong pay plan is a good incentive. HR managers are frequently responsible with pay management and administration to ensure that the organization's employees are well compensated (Azasu, 2017).

Compensation and benefits are one of the tactics used by the business to recruit, retain, and motivate individuals or workers. Compensation was designed to offer relief to employees who

were injured or had pre-existing injuries as a result of work-related ailments (Armstrong, 2006). Compensation is not paid to the employee until he has been injured; however, it is offered to the employee as part of encouraging and keeping the employee in the workplace, as we can now see that the better the compensation and benefits employees receive, the happier they are at their organization, which leads to loyal employees and a successful work environment with direct incentives.

2.1.4.1 Types of Compensation

Compensation was classified into two categories by Yousaf, Latif, Aslam, and Saddiqui (2014): monetary and nonmonetary compensations. Extrinsic rewards refer to monetary incentives, whereas intrinsic rewards refer to non-monetary benefits. Extrinsic rewards, which are typically financial or tangible, include pay, promotion, interpersonal rewards, bonuses, and benefits (Zaman, Hafiza, Shah & Jamsheed, 2011). Intrinsic reward, according to Stoner and Freeman (1992), is the psychological reward that an employee receives directly.

Returns on total compensation are more transactional. They include both direct cash compensation (such as base, merit, incentives, and cost-of-living adjustments) and indirect cash pay (such as benefits) (like pensions, medical insurance, programs to help balance work and life demands, brightly colored uniforms). A pay-for-performance program can be designed in a variety of ways, and most employers use more than one.

Direct/Base Compensation

To show the differences between the two ideas, many definitions of wages and salaries have been established. For non-manual workers, a basic salary is a fixed monthly payment with often no productivity increases, usually expressed in annual terms. Wage refers to the pay that manual labourers receive, which is always based on hourly or piece rates. Wages are the hourly payment granted to labour for the quantity of work done in a day, according to Surbhi (2015). Wages are also defined as a fixed sum paid to employees for their performance and productivity at regular intervals. He went on to say that while salaried individuals are usually said to be doing "white-collar office jobs," which implies that they are well-trained, eligible, and employed by some organization and have a good place in society, they are also said to be doing "blue-collar work," which implies that they are doing unskilled work and are paid on a daily basis.

One of the goals of a person working for a company is to earn money in the form of pay or wages and salary to cover basic requirements like food, clothing, and housing. Every business must be able to determine the number of wages paid to employees in such a way that the lowest pay is offered to meet their basic necessities (Kanzunnudin, 2007).

Agburu (2012) emphasized the importance of salaries and wages in Nigeria, arguing that they must not only be enough, but also show some aspect of equity, particularly from the perspective of employees. In a country like Nigeria, anything that falls short of fair and equal pay or reward will quickly enrage workers. For many Nigerian workers, wages or salaries are a major issue. They are important because without them, the worker's and his or her family's lives become extremely precarious. Workers emphasize wages and salaries the most as direct cash compensation, but they take center stage in the scheme of things when it comes to job incentives.

A. Basic Salary

Salary is the money paid to an employee in exchange for the labour he or she has done for a set period of time, such as a day, a week, or a month. It is the monetary compensation that an employee receives from his or her employer for providing services.

B. House Rent Allowance

Organizations either give housing or provide house rent allowances to their employees who come from distant states or countries. This is done to provide them a sense of stability and to encourage them to work.

C. Conveyance

Employees are provided with cab services by their employers. Few companies also provide vehicles and fuel allowances to their staff as a kind of motivation.

D. Leave Travel Allowance

These stipends are given in order to keep the finest employees in the company. Employees are provided allowances to take their families to any location they like. The allowances are tiered according to the employee's status within the company.

E. Medical Reimbursement

Organizations are likewise concerned about their employees' health. Employees are given medical claims for themselves and their families. These medical claims include compensation for health insurance and treatment bills.

F. Bonus

Employees are given bonuses over the holiday season to stimulate them and provide them with social security. In most cases, the bonus is equal to one month's compensation for the employee.

G. Special Allowance

Employees are given special allowances such as overtime, mobile allowances, food, commissions, travel expenses, lower interest loans, insurance, club memberships, and so on to provide social security and motivate them, resulting in increased organizational productivity.

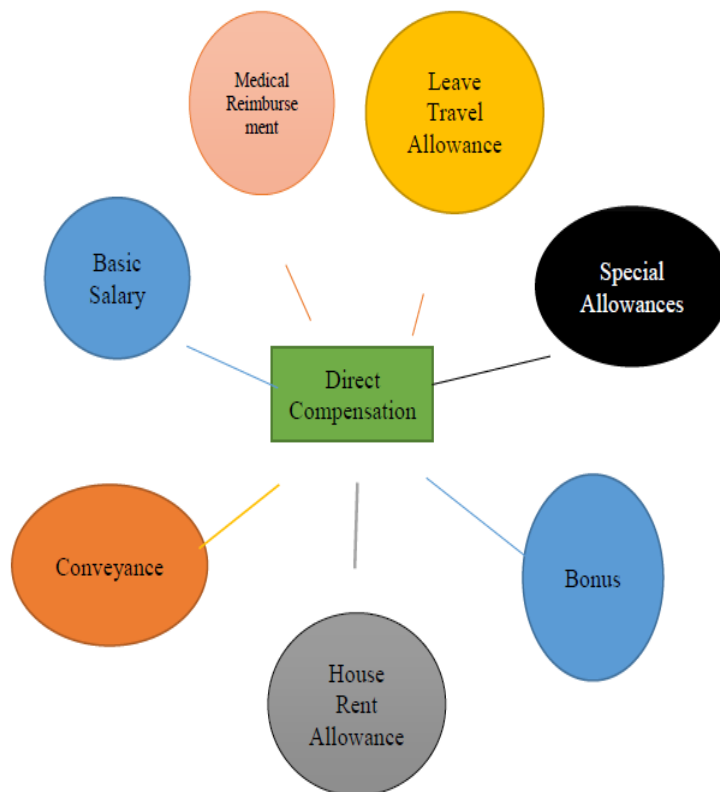


Figure 1; Representation of Direct Compensation

Indirect/Supplementary Compensation

Employers can allocate bonus pay arbitrarily if the company can afford to pay a bonus, or the value of the bonus pay might be defined in a contract. According to Bardot (2014), a bonus is a payment that is backward-looking and is often contingent or not required by the employee (s). A decision is made to pay it to one, a group, or all workers based on parameters chosen by

management to reward past accomplishments, such as achieving a specific benefit or other significant milestones for the company, or in a completely arbitrary manner, but defined an incentive as a forward-looking strategy. Payment is based on the achievement of specific targets that have been pre-determined and communicated to the workers on the agenda. The incentive scheme's goal is to affect behavior by providing an incentive to work toward the organization's goals. She also said that prizes, such as certain presents or flights, might be awarded in cash or non-monetary awards, such as some gifts or trips (particularly for salespeople). The incentive package is not discretionary: the payout or reward is made only if the original, agreed-upon targets are accomplished.

Danish et al., (2016) defined a bonus as a single payment issued usually once a year at the conclusion of a successful period to reward extraordinary work or performance, whereas an incentive is a tangible or intangible reward meant to influence a person or group to act in a specific manner. He also noted that incentives differ from bonuses in that incentives describe what must be done as well as what the worker would receive in exchange for completing it. As a result, there is ongoing success and a strategic effect of rewards.

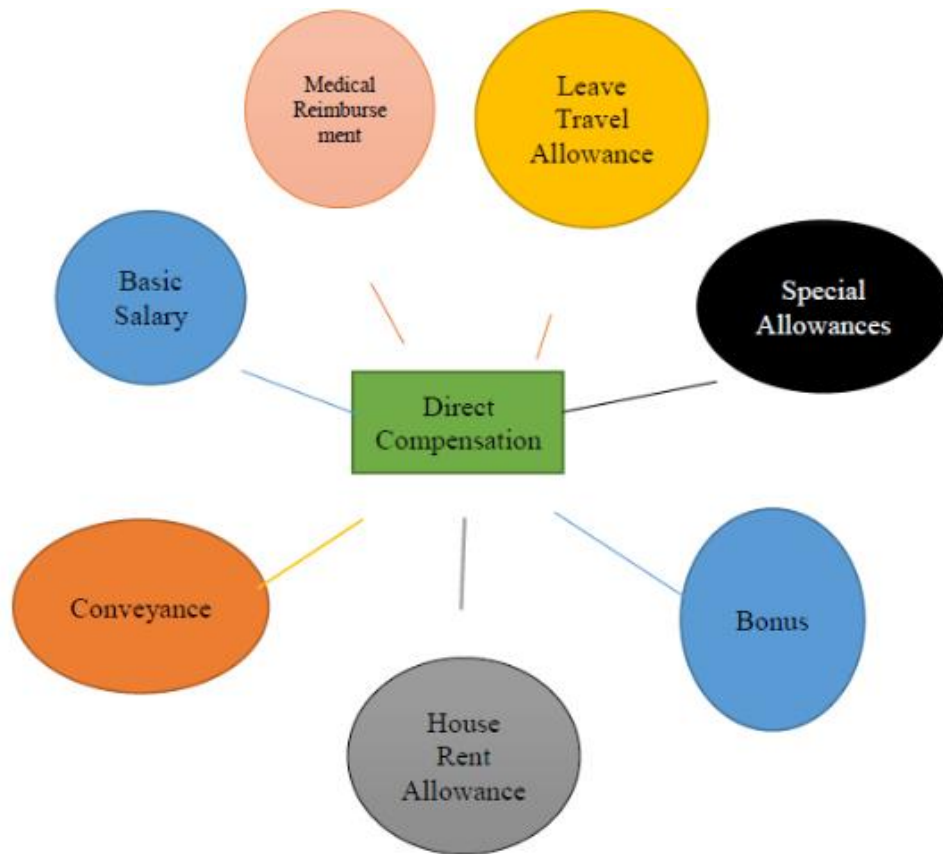


Figure 1; Representation of Indirect Compensation

Recognition

Recognition as an intrinsic benefit is described as validation, confirmation, or recognition that something was done in one's name and authority by another person (Danish et al., 2016). According to Sajuyigbe, Bosede, and Adeyemi (2013), intrinsic rewards such as recognition, progress, feedback, and opportunities contribute to higher job performance and motivation than extrinsic rewards such as income. According to Robbins (2014), popularity provides employees with a sense of status, making them feel like they are a part of a firm. According to Barton and Gold (2013), acknowledgment is the most essential component among non-monetary benefits for increasing employees' work satisfaction and hence their performance. According to Romano (2013), recognition is the component that is likely to build the link between a firm and other people. Employees feel rewarded and motivated as a result of their popularity. He claims that by recognizing employees, a competitive edge and, as a result, greater performance are frequently attained. According to Lawler (2013), the well-being of every organization is determined by how

its people resources are treated. Organizations promote well-being through rewarding and recognizing their staff in order to encourage their achievement. Employees become more devoted to their organization and perform considerably better if the organization recognizes and appreciates them in terms of certification, verbal acknowledgment, and other components, according to Andrew (2016). Organizations are missing a very valuable component that is recognized within the organization. According to Sarvadi (2015), the value of practical application of this component is quite low in many organizations. Employees are made aware of their worth to the organization through acknowledgment, and employees feel appreciated as a result. According to Nelson and Spitzer (2013), people with new blood are more energetic and dynamic, therefore they want credit for their job more than others, which may increase their performance. Employees are frequently recognized by incorporating them in decision-making, expanding their responsibilities, demonstrating empathy for them, and providing them with succession planning and other possibilities to encourage the high designation. According to Robbins (2013), Maslow's hierarchy of needs describes employees' vanity needs. According to this idea, recognition, status, development, and growth are the aspects that produce motivation and, as a result, job satisfaction and, finally, employee performance. According to Herzberg's theory, recognition is one of the motivational elements that drive employees from dissatisfaction to contentment with the task at hand, hence improving their performance.

2.1.5 Types of Incentives Schemes

There are three types of incentive schemes

1. Individual system (price rate)
2. Group system (group bonus)
3. Organizational system (profit sharing) (Habeb and Kazeem, 2018)

2.1.5.1 Individual Incentive Plan

Individual incentive schemes, as the name implies, are individual incentives that link individual effort to individual reward. Essentially, the individual is rewarded in direct proportion to his output. It should be highlighted, however, that individual motivation does not always imply financial motivation. Depending on the individual's desires, it could also be non-financial. Habeb and Kazeem (2018) voiced a similar viewpoint when they stated that individual incentive systems may need to be adapted to individual desires. Thus, if a worker prefers more time off over more take-home income, the incentive system may need to provide that option in

order to be effective. Individual incentives, on the other hand, are designed to motivate employees to do work in excess of the amount set. Individual reward programs come in a wide range of flavors. Piece rate, standard hour plan, bonus system, recommendations program, and merit rating are some of these schemes (Arogundade, Bankole and Oyeniyan, 2020).

Problems with individual incentives

There are a number of problems associated with individual incentives. A list of these problems according to (Agbanike *et, al.*, 2020) is;

- I. Issues with keeping the system current since increases in inflation may necessitate modifications in bonus payment to compensate for inflation.
- II. Employee incentive compensation may result in unfavorable outcomes. For example, creating unhealthy competitiveness among staff.
- III. In the organization, the much-needed climate of trust and cooperation between the employer and employee essential to make the individual system operate may not exist.
- IV. An incentive system might lead to an overemphasis on one aspect of a task; if you're not careful, you'll end up with more of what you emphasize than you wanted. For example, an employee at a plant who is compensated depending on the number of units produced may produce a huge quantity of products of lesser quality.
- V. Unions may oppose individual incentive schemes since unions are based on security, seniority, and collective solidarity rather than an individual's overall production.
- VI. Finally, incentive systems may favor only highly motivated, capable workers while reducing typical worker earnings.

2.1.5.2 Group Incentive Scheme

To address the multiple issues that individual incentive programs provide, group incentive systems have been developed. A group plan is intended to deliver rewards to all employees in a unit.

The group incentive system is most appropriate under the following conditions;

- When determining individual performance or contribution is tough.
- Where a job cannot be done by a person but must be done by a group
- When it is preferable to favor group collaboration than individual performance.
- The members of the group share a common interest.

Aims of Reward Management

The following are the aims of reward management;

1. Reward people based on the value they add;
2. Reward the correct items to send the right message about what matters in terms of behaviors and outcomes.
3. Assist in attracting and retaining high-quality employees for the firm.
4. Align incentive strategies with business objectives as well as employee values and requirements.
5. Create a culture of high performance;
6. Motivate others and gain their participation and commitment.
7. Assist in attracting and retaining high-quality employees for the firm.
8. Reward people based on the value they add;
9. Align incentive strategies with business objectives as well as employee values and requirements.
10. Reward the correct items to send the right message about what matters in terms of behaviors and outcomes.
11. Motivate others and gain their participation and commitment.

2.1.6 Factors to be considered when deciding compensation

Employers decide on the appropriate compensation after considering the following factors. The employee's job description, which states how much he or she should be paid and the components of the pay package. The Job Description is further comprised of responsibilities, functions, duties, job location, and other variables such as surroundings, etc. These job description aspects are taken individually to arrive at the basic remuneration, together with other components such as benefits, variable pay, and bonus. It should be noted that the HRA, or House Rental Allowance, is determined by a combination of criteria including the employee's location, governmental policies, and the employee's grade.

2.1.7 Industrial Dispute

An industrial dispute, according to Sudha (2013), is a disagreement between management and workers about the terms of employment. It's a disagreement between an employer and an employee's representative, generally a labour union, about salary and other working conditions that can lead to strikes. In the event of an industrial disagreement, both parties (management and

workers) exert pressure on one another. While workers may go on strike, management may retaliate by implementing lockouts. Yusuf (2018) defined industrial conflict as "any displays of dissatisfaction within the employment relationship, particularly those related to the employment contract and the effort bargain." He continued, "It includes formal expressions of conflict, organized along the lines of trade unions and employers' associations, as well as informal conflict, such as hidden scores that may be expressed in the form of industrial sabotage, absenteeism, or lateness that lacks systematic organization."

Zakari (2018), on the other hand, stated that the word "industrial action" refers to a circumstance in which employers or employees join forces to exert pressure on the other collective bargaining partner in order to achieve their objectives. Employee strikes, employer lockouts, and boycotts are all examples of industrial activities. The number of strikes and lockouts (frequency of industrial action), the number of workers affected (extent of industrial action), and the number of working days lost are all factors that can be measured (volume of industrial action).

2.1.7.1 Causes of Industrial Disputes

In a study of the factors influencing industrial conflicts in Nigeria (1980–2010) using the Simultaneous Equation Model Techniques (SEMT) in which strikes and wage rates were made endogenous, Ige, Adeyeye, and Aina [2014] found that changes in wage rate, price expectation, and union membership concentration influence industrial conflicts in Nigeria.

The unprecedented jumbo salaries and allowances being provided to political office holders, according to Akume and Abdullahi (2013), is one of the factors that has aggravated the problem. The other element is not unrelated to the government's history of failing to carry out inked agreements with its labour union.

Internal and external sources or causes of industrial conflicts in organizations have been recognized by Ootobo (2016). Internal factors of conflict, according to him, include managerial style, the physical environment of the workplace, worker orientation or social consciousness, and terms of service, the efficacy or not of the promotion system, and the arduousness of grievance and dispute procedures. Government industrial and economic policies, the form of labour regulations, elite groups' unpatriotic and unethical behavior, national economic mismanagement, and the general distribution of wealth and power in society are all examples of external factors.

The primary causes of labour unrest in Nigeria, according to Ajewole (2014), are perceived low income, poor working conditions, fuel price hikes, the Federal Government's National Minimum

Wage, industrial and economic policies, reinstatement of sacked lecturers, the Federal Government/Academic Staff Union of Universities (ASUU) 1999 signed agreement, and payment of entitlements.

Insufficient funding of the system, unhealthy conditions of service, and unacceptable leadership styles of university administrators, according to Ekundayo (2000), are the reasons of clashes between labour unions and university managements.

2.1.8 The Concept of Industrial Harmony

Industrial harmony is defined as a cordial and cooperative agreement between employers and employees on working relationships that benefit both parties. (Otobo, 2005; Osad and Osas, 2013). According to Puttapalli and Vuram (2012), industrial harmony is referred to as the connection between management and employees about employment terms and conditions as well as the workplace. It is, in fact, a state in which employees and management freely collaborate to achieve the goals and objectives of the firm.

In its ideal form, industrial harmony assumes a condition of relative equilibrium in the industry, with amicable and productive interactions between individuals and/or groups. According to Sayles and Strauss (1981), modern organizations are riddled with conflict and competing agendas because disputes among groups within an organization are unavoidable. This type of conflict hampers the formation of industrial harmony, suggesting a state of organizational instability (Sayles and Strauss, 2009). On the other hand, Hanson (2006) believes that industrial harmony refers to the absence of industrial union strikes in an organization, which will inevitably result in a more effective and efficient organization.

Thus, industrial harmony encompasses four major areas of cooperation:

- ❖ Responsibility,
- ❖ Employment policy,
- ❖ Collective bargaining,
- ❖ Communication and consultation (Odia and Omofonmwan, 2007).

Industrial Harmony can only originate from what is known as "Industrial Democracy," a situation in which workers' participation in the process of making decisions that affect their working conditions is sought to a greater extent. It requires involving the two essential players in labour relations in the decision-making process. It encompasses concepts such as co-consultation, co-ownership or co-partnership, co-determination, and whitleyism (Fegor, 2015).

Industrial harmony increases labour productivity while also improving organizational performance, economic growth, and quality of life and living standards. It creates a conducive environment for tolerance, dialogue, and other (strike) means to resolve Nigeria's industrial or labour difficulties (such as negotiation, mediation, arbitration, conciliation and litigation or court adjudication). Employees are quite satisfied as a result of this.

Similarly, Arputharaj and Gayatri (2014) claimed that industrial harmony fosters a calm working atmosphere favorable to tolerance, dialogue, and other alternative (to strike) strategies of settling industrial problems in Nigeria. As a result, there is a high level of employee satisfaction. Harmonious industrial relations relate to an industrial environment in which workers, their unions, and management recognize and respect one another as partners in progress, and where a cooperative attitude is mutually beneficial in terms of production, performance, and rewards. It is expected that conflicts exist, but that effective and proactive collective agreements and grievance procedures exist to keep conflicts from escalating into crises. In light of this, internalizing harmonious industrial relations will eradicate inadequate human resource management.

2.1.9 Measures of Industrial Harmony

Absence of Incidence of Strike

Strike, in the view of the industrial striker, refers to his major right's activity in restraining his administrations. During the time spent striking, circumstances that appear to oppose his own want and yearning or that debilitate the satisfaction of the individual's requirements are enrolled. Individual rights are outfitted by the exchange union to embark on strike activity, which is all the more important. In this way, the quality of a union in an industry is often based on the force of a strike. The strike is a powerful tool that can be used to great effect if the workers on strike are protesting important work or if the amount of production lost by the company as a result of the strike is significant. Strikes also force the administration to unify honestly in future transactions; as a result, effective strikes boost the union's bargaining position for the following agreement. If the strike is successful, it improves the financial well-being of exchange union members by allowing them to get salary raises as a result of the strike.

Striking workers are also at risk of losing a significant amount of pay during the strike. This is due to the fact that the no-work-no-pay legislation is routinely invoked in Nigerian industry. The Nigerian government has consistently limited the right to assault in the oil industry. Parts of the relevant legislation can be found in the Trade Dispute Acts of 1969, 1976, and 1996. The Trade

Unions (Amendment) Decree of 1996 made trade union registration conditional on a "no strike" stipulation for the duration of the collective bargaining agreement. Without a doubt, it stated unequivocally that firms were not permitted to pay a trade union levy to the trade union in question unless union members agreed to the 'no strike' statement.

Absence of Grievance Frequency

Employees or unions may file a complaint when they believe their employers have treated them unfairly or have violated the terms of their contract (Bemmel & Foley, 1996). Grievance refers to a belief that a contract relationship has been violated. Employees have three options in this situation. These options include: not reporting a grievance formally, in which case he wallows in his pain and anger; quitting the job; or bravely reporting a grievance publicly through an official laid-out system in spite of any consequences (Pettersen & Lewin, 2000). Hirschman (1970) proposed the notion of exit, voice, and loyalty. The core of this theory is that an employee's likelihood of receiving a favorable response or management retaliation in terms of job relief is based on his or her loyalty or importance, as well as the criticality of his or her position to the firm. This means that an employee who believes his employment is not vital to his employer may be prevented from submitting a grievance, even if he is subjected to unjust treatment. A grievance procedure acts as an official venue for unhappy employees to complain alleged unfair treatment and seek remedy in a unionized company. The technique lays forth the actions and stages that must be followed in order to resolve conflicts efficiently (Colvin 2003; Lewin, 2005). In a unionized setting, Colvin (2003) argues that collective bargaining is a procedure by which disagreements are managed and employees obtain a fair response. Alternative dispute resolution (ADR), which includes open-door systems, early mutual investigation, and review panels, according to Bingham (2004), is a good approach to manage problems in a nonunionized context.

2.1.10 Employees Retirement Planning

An occupational pension scheme is an arrangement under which an employer provides pension for employees when they retire or gives a pension to employees when they retire. It has a positive impact on employee discipline, loyalty and willingness to remain in the service of an employer, commitment to the achievement of job goals, and concern for the survival of the organisation. It is a system meant to offer an organization's employees with a way of securing a standard of living that is reasonably comparable to that which they enjoyed while on the job.

According to Robolino (2006), many countries have chosen various types of contributory pension schemes in which employees and their employers are expected to pay certain percentages of their monthly earnings to a Retirement Savings Account (RSA) from which they would draw their pension benefits after retirement.

A retirement scheme is a method of rewarding an employee with either a lump amount of money or a pension when they leave the employment of an employer. It provides perks that might be viewed as pay for services performed to the business by an employee.

Retirement

Retirement denotes the separation from principal action as a full-time employee in a firm, trade, or active facility (Manion, 2006). The termination could be the result of a number of circumstances, such as advanced age, poor health, societal burden, or plain laziness. Retirement is a moment when people quit working entirely. Many people choose to retire when they reach retirement age and become eligible for pension payments, but others are compelled to retire due to external conditions that prevent them from working (Agulanna, 2003).

There is a particular age that has been established as the typical retirement age in any given country, and this age varies depending on the country; it is between the ages of 57 and 70 years (Taylor, 1992). In developed countries, the conventional retirement age for men and women is usually different.

In the United States, for example, an admiral or general normally retires after 40 years of service unless he or she is restored to serve again (Taylor, 1992).

The act of quitting one's employment or office is referred to as "retirement." A retired person, according to Nwajagu (2007), is someone who has resigned from their position.

Nwajagu (2007) described three types of retirement in Nigeria. There are three types of retirement: voluntary or personal retirement, obligatory or compelled retirement, and constitutional retirement.

- a) **Deliberate or personal retirement:** This type of retirement happens when an individual chooses to leave active duty for private or personal reasons, regardless of age, proficiency, length of service, or retirement criteria (Nwajagu, 2007). Deliberate retirement is imposed on

oneself. In other words, an individual may choose to retire or remain in the military. The individual considers several options in the service, and if there is no job satisfaction, he or she is free to freely retire (Ugwu, 2011). The only issue with purposeful retirement is that if the person retiring has not worked for more than ten years, he loses his benefits and retirement income; but, if he has worked for fifteen years, he becomes eligible for payment of benefits and retirement income. This sort of retirement is more advantageous to the employee than to the company.

- b) **Required or enforced retirement:** This is a circumstance in which a person is forced or compelled to retire against his or her will, particularly if he or she is unprepared for it. It is frequently regarded negatively due to the fact that it is unforeseeable. Okechukwu and Ugwu (2011) classified the causes of forced retirement as inefficiency, old age, illness, disorderliness, or insubordination. This type of retirement is beneficial to the organisation.
- c) **Constitutional retirement:** This is a common type of retirement. This type of retirement occurs when the person concerned has reached the mandatory retirement age set in the establishment's terms of service (Nwajagu, 2007). By statute, when a person reaches the age of sixty years (60), he or she is obligated to retire, and when a person reaches the age of thirty-five (35) years in the service of employment, he or she is similarly obligated to leave the service. Constitutional retirement entails the payment of a gratuity as well as a pension.

In Nigeria, the current retirement is guided by the Federal Government Public Service

Rule (2008:28-29) which state clearly that:

- i. 60 years shall be the compulsory retirement age for all statuses in the public service or 35 years of pensionable service whichever is earlier.
- ii. No officer in the military or paramilitary shall be allowed to remain in service after attaining 60 years of age or 35 years of pensionable service, whichever is earlier.
- iii. The provision of (i) and (ii) of the statute is with no discrimination to established requirements for judicial officer and academic staff of institutions who retire at 65 and 70 years respectively.

- iv. Provided the officer would have attained the retirement age of 60 years or 35 years of service, whichever is earlier.
- v. A Director shall unavoidably retire upon serving eight years of the post; and
- vi. A Permanent Secretary shall hold office for four years which can be further renewed for additional four years, depending on satisfactory performance and no more.

Other grounds for compulsory retirement of an employee as identified by Ezeani (2011)

Include the under listed:

- i. On the advice of properly constituted medical board, certifying that the officer is no longer mentally or physically capable of carrying out the functions of his office,
- ii. On total or permanent dis-enablement while in service
- iii. An abolition of his office as a result of re-organization in the department
- iv. If he is required by the employee to retire on the grounds that his retirement is in the interest of the establishment.

According to Flippo, “with a society built on a work ethic, the move from a recognisable productive work role on one day to a role-less role the next has stimulated the belief that retirement gives rise to mental and physical disorder and, at times, untimely demise; to many, work is life and idleness is a living death; to many, work is life and idleness is a living death.”

Retirement means different things to different people. To some, it can be wonderful, delightful, and thrilling, something to look forward to, yet to others, it can represent the end of the road, psychological death, or living death, among other things.

2.1.11 Types of Retirement Plans

According to The Employee Retirement Income Security Act (ERISA), there are two types of retirement plans: Defined benefit plans and Defined contribution plans.

- a) Defined benefit plans: A fixed monthly reward is promised to the employee upon retirement under a defined benefit plan. This guaranteed benefit is stated as an exact currency (Dollars) figure, such as \$100 per month at retirement, in the defined benefit plan. Alternatively, it

may calculate a benefit using a plan formula that takes into account criteria like as salary and service, such as 1% of average salary for the last 5 years of employment for every year of service with an employer.

- b) Defined contribution plans: A defined contribution plan differs from the preceding benefit plan, which makes monthly commitments at retirement. In these plans, either the employee or the employer (or both) contribute to the employee's individual account under the plan, sometimes at a specified rate, such as 5% of earnings yearly. These donations are often invested on the employee's behalf. The employee will always receive the investment balance in their account, which is based on contributions plus or minus investment profits or losses. The value of the account will fluctuate due to changes in the value of the investments.

Examples of defined contribution plans

- i. A Simplified Employee Pension Plan (SEP): This is a straightforward retirement savings vehicle. A SEP allows employees to make tax-favored contributions to their own individual retirement accounts (IRAs). SEPs are subject to only the most basic reporting and disclosure obligations. A SEP requires an employee to open an IRA in order to accept contributions from the employer. Employers are no longer permitted to establish Salary Reduction SEPs. Employers, on the other hand, are able to set up SIMPLE IRA plans with salary reduction contributions. If an employer previously offered a salary reduction SEP, the company may continue to accept salary reduction contributions to the plan.
- ii. A Profit-Sharing Plan or Stock Bonus Plan: This is a defined contribution plan in which the plan may specify or the employer may select how much will be donated to the plan on an annual basis (out of profits or otherwise). The plan includes a methodology for assigning a portion of each annual contribution to each participant. A 401(k) plan may be included in a profit-sharing or stock bonus plan.
- iii. A 401(k) Plan is a cash or deferred payment defined contribution plan. Employees can choose to defer receiving a portion of their salary, which is instead donated to the 401(k) plan on their behalf, before taxes. These donations are sometimes matched by the employer. Each year, an employee can only postpone a certain amount of money. Any limitations that may apply must be communicated to employees by their employer. Employees who enrol in

401(k) plans assume responsibility for their retirement income by contributing a portion of their pay and, in many cases, making their own investment decisions.

- iv. iv. An Employee Stock Ownership Plan (ESOP) is a type of defined contribution plan in which the majority of the investments are in employer stock.

A Cash Balance Plan is a defined benefit plan in which the benefit is defined in terms more akin to a defined contribution plan. A cash balance plan, in other words, describes the promised benefit in terms of a defined account balance. In a standard cash balance plan, a participant's account is credited each year with a "pay credit" (such as 5% of his or her employer's remuneration) and a "interest credit" (either a fixed rate or a variable rate that is linked to an index such as the one- year treasury bill rate). Changes in the value of the plan's investments have no direct impact on the benefit levels offered to participants. As a result, the employer bears all investing risks and profits on plan assets.

2.1.12 Conceptual Framework

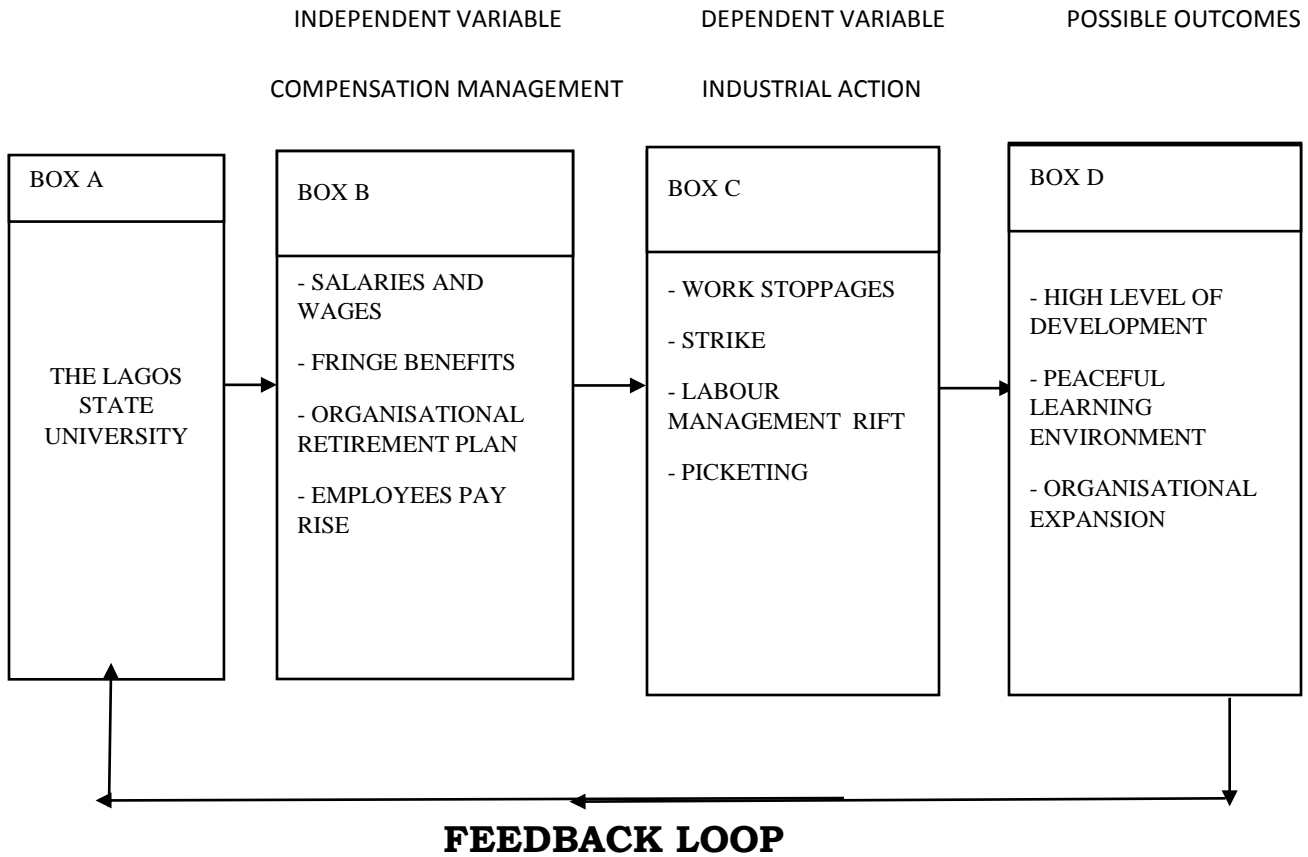


Figure 3: Relationship between Compensation Management/Mechanism and Industrial Harmony.

2.2 Theoretical Framework

The purpose of this research is to look into the relationship between pay mechanisms and employee satisfaction at Lagos State University in Lagos, Nigeria. The following theories and methodologies will be used to guide the research:

1. Marxist Theory
2. Pluralistic Perspective

2.2.1 Marxist Theory

- ❖ This perspective on labour relations is a result of a capitalist society and social change theory. According to Marxists, the industrial relationship is a battle of class interests between capital and labour. By hoarding surplus value and underpaying workers'

remuneration, the employer (capital) strives to maximize profit. Workers compete for a piece of the wealth pie because they are the human means of production, and hence the most significant factor in production. Industrial relations are a constant confrontation of interests between capitalists and workers. This conflict will be addressed only in a socialist society where capital is controlled by the working class. The Industrial Revolution from a Marxist Perspective are:

- ❖ Weakness and contradiction inherent in the capitalist system would result in revolution and the ascendancy of socialism over capitalism.
- ❖ Capitalism would foster monopolies.
- ❖ Wages (costs to the capitalist) would be minimized to a subsistence level

The hypothesis was promoted in order to put things in perspective, as this is the best way to explain Nigerian labour issues. Industrial conflict is based in the economic framework of capitalism countries, according to Marxist theory. Marxism is a social change theory, and while there are several schools of Marxism studies, it is primarily a means of analyzing power dynamics in society (Ekundayo, 2012). The conflicting class interests in the bourgeois capitalist state are profit-seeking capitalists and wage-earning proletariat. The battle for economic hegemony between them is seen as unavoidable, irreversible, and unconciliable. Industrial conflict between employers and employees, as well as between management and labour unions, is just a reflection of capitalism's ruling class interests and is identical with class conflict. As a result, the rivalry between those buying and selling labour in the marketplace is considered as a constant element of capitalism [15]. Using every possible medium within its reach, the trade union serves to maintain and defend the class interests of working people, according to Marxist analysis (Ekundayo, 2012).

2.2.2 Pluralist Theory

According to Fox's (1966) pluralist theory, trade union actions play a vital role in reflecting those interests through regulating both market and management relations. This method does not contradict the joint long-term goal of employers and workers for business survival, as advocated by the unitary approach, but rather highlights the inevitable and fundamental antagonism between employers and workers. Employers are more interested with profit and investment, whereas employees are concerned with pay and living standards. Because of these disparities in interests, there is a long history of conflict between employers and employees. It stresses

management's and trade unions' representational functions, and it underlines the value (and legitimacy) of collective bargaining. Pluralists acknowledge the legitimacy of groups within management and unions. They think that the primary purpose of management is to coordinate, communicate, and convince, rather than to control or dictate (Kessler and Purcell 2003).

In pluralism, the organization is viewed to be made up of powerful and different sub-groups, each with its own set of valid loyalties and purposes, as well as its own set of leaders. In the pluralistic perspective, the two dominating groupings are management and trade unions.

As a result, management's function would shift away from enforcing and controlling and toward persuasion and coordination. Trade unions are regarded as genuine representatives of employees, and disagreement is dealt with through collective bargaining. Conflict is not necessarily regarded as a bad thing, and, if managed properly, can be steered towards evolution and constructive progress.

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This viewpoint considers society to be post-capitalist. That is a rather extensive dispersion of authority and power throughout society, a separation of ownership from management, and the acceptance, acceptance, and institutionalization of political and industrial dispute (Salamon, 2000) It should be noted that this viewpoint believes that the organization is made up of individuals who organize themselves into a number of district sectional organizations, each with its own set of interests, goals, and leadership. As a result, the organization is multi-structural and competitive in terms of leadership, authority, and allegiance within the groups; as a result, there

is a complex of tension and conflicting claims that must be managed in order to sustain a successful collaborative structure. In a nutshell, there is acknowledgement of divergent interests, trade unions, and conflict are functional (Oginni & Faseyiku, 2012).

2.3 Empirical Review

The Effects of Financial Reward on Industrial Harmony of Selected Public Tertiary Institutions in Southwest Nigeria were investigated by Arogundade, Bankole, and Oyeniyen (2020). The study looked at the impact of monetary incentives on the industrial harmony of Selected Public Tertiary Institutions in Southwest Nigeria. Specifically, the study used a descriptive survey research design to assess the effect of salary and other perks on industrial harmony at Selected Public Tertiary Institutions in Southwest Nigeria. The study discovered that pay has a very strong significant effect on industrial harmony; additionally, allowance has a very strong significant effect on industrial harmony. According to the studies, allowances have a greater impact on industrial peace than salary. The study concluded that financial reward structures had a substantial impact on the industrial harmony of Selected Public Tertiary Institutions in Southwest Nigeria.

Zakari (2018) investigated the Causes and Consequences of Academic Staff Union of Colleges of Education Industrial Disputes: A Case Study of Federal College of Education, Zaria. While the frequency of disputes in the college system remains low to this day, the research findings revealed that the causes of dispute were not limited to non-payment of workers' entitlements, a lack of a conducive working environment, but, more importantly, the government's proclivity to breach agreements. Furthermore, the consequences include, among other things, missed man-hours and low academic attainment. It does, however, recommend that COEASU use dialogue to effectively explore the principles of collective bargaining; that periodic needs assessments be conducted in order to address infrastructural deficiencies in the Colleges; and that the government always respect and fulfil agreements reached with the union.

Kelechi, Akpa, Egwuonwu, Akintaro, Shonubi, and Herbertson (2016) investigated the impact of compensation administration on employee productivity. The study used a survey methodology to examine what constitutes efficient compensation administration on businesses and the benefits that may be achieved from it, with 50 respondents from Dangote Nigeria Headquarters in Lagos,

Nigeria. According to the study's findings, effective compensation administration has a favorable impact on staff productivity, as seen by the statistics generated.

Hakim (2020) investigated the effect of salary, career development, and work environment on job satisfaction and its impact on organizational commitments in PT Jakarta Touristik Indonesia. The purpose of this research is to assess the impact of remuneration, career advancement, work environment, and job satisfaction on organizational commitment. The research was carried out at PT Jakarta Tourisindo. A total of 86 participants were included in the study. To apply path analysis, the sampling technique employs random sampling and data processing tools. Compensation, career growth, work environment, and job satisfaction all had a favorable and significant effect on organizational commitment, according to the findings.

Mensah (2012) investigated the effect of indirect pay on employee productivity. The study was carried out using surveys, interviews, the administration and conditions of service handbook of Central University College, and other sources such as journals, internet resources, and management text books. The study discovered that, while management implements some of the available indirect compensations, other perks are not adequately administered, contributing to a lack of passion for work and negatively affecting worker productivity. As a result, the study recommends that management at Central University College and other firms give Indirect Compensation the attention it deserves, as this will assist raise employee morale, which will result in higher productivity.

Compensation Management and Organizational Commitment in Developing Economies: An Indian Perspective, Osibanjo, Pavithra, and Adeniji (2014). The study looked at the relationship between compensation management and organizational commitment using data from 500 workers in Indian manufacturing organizations. According to a structural model with standardized parameter estimates, benefits have a direct relationship with job stability; similarly, training and remuneration package have a strong relationship with organizational commitment. Furthermore, training, wage package, and prospects for advancement all have a detrimental impact on employment stability. This argues that Management must create a balance between these aspects in order to avoid being duped into believing that if there are prospects for advancement and training, employees will stay on their current jobs. Furthermore, while

spouse/partner and Work-Life Balance (WLB) have a favorable impact on stress, geographical location and coworkers have a negative impact.

Akuh (2015) explored industrial harmony for academic excellence: a requirement for a thriving Nigerian educational system. The study's goal was to analyze the importance of industrial harmony in achieving academic excellence and a productive educational system in Nigeria. To ensure harmonious industrial relations, the leader of each institution must encourage open and frank discussion of the institution's problems with subordinates; seek the opinion of those doing the institutional job, i.e., the staff; explain their discussion to those who must carry it out; recognize the contributions of all involved in the institutional job; and set collaborative goals. To summarize, a successful and well-understood grievance procedure that is basic, straightforward, flexible, proactive, responsive, protocol-free, and time conscious is critical to harmonious labour relations. Above all, fostering visionary and disciplined leadership within our educational system is critical to creating a conducive learning atmosphere free of corruption and indiscipline.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Research Design

Research design is defined as the blueprint for collecting, measuring, and interpreting the data required for a study (Kothari, 2004). The method and procedures utilized by the researcher throughout the course of the research are referred to as the research design. This is the logical and reasonable means for researchers to find the scientific and logical technique to collect and analyze data. The type of information, the technique of acquiring information, the timelines, and the method of sample delivery are all part of the research design.

Types of Research Design

1. Exploratory Research Design
2. Survey Research Design

3.2 Population of Study

The population is the total number of items from which samples can be drawn for a study. This is a group of people having the traits that you want to research. A population, according to Kombo and Tromp (2006), is a carefully defined or collection of persons, organizations, divisions, activities, social occasions of items, or families that are thoroughly inspected for the results. This is a group of people having the traits that you want to research.

This research's population of interest is the whole employees of LASU. This population consists of numerous employee cadres and faculties, including both academic and non-academic personnel. To make it representative, all cadres and classifications shall be proportioned.

This total population of study in this research work is 900. This consists of active, executive, non-executive and ex-officio members of labour unions in LASU to be obtained from the records of Labour unions leaders.

3.3 Sample Size

The sample size will be 400 which is 44% of the total population.

3.4 Sample Size Determination

The sample for the research is respondent for the organization using Taro Yammane formula. Proportional stratification will then be adopted to yield a truly representative sample.

The Taro Yammane formula is $N = \frac{N}{1+N(e)}$

- Where n signifies the sample size.
- N signifies the population under study.
- e signifies the margin error (0.05).

***N to be determined later.

$$N = \frac{N}{1+N(e)}$$

n = sample size

N = Population size

e = Margin of error

SOLUTION

$$n=900$$

$$1+900(0.05)^2$$

$$n=1+900(0.0025)$$

$$n=1+2.25$$

$$n=3.25$$

$$= \frac{900}{2.25}$$

$$= 400$$

3.5 Sampling Techniques

Sampling is the act, method, or procedure of selecting an acceptable sample from a population, with the sample being representative of the entire population.

Multi-stage sampling technique will be used in this research work:

STAGE I: Purposive selection of LASU due to the following reasons:

1. The first reason is due to persistent occurrence of labour management disputes in the institution.
2. Industrial action had disrupted in most cases the academic calendar of the University.
3. There are many other extraneous forms of conflicts taking place within the University system that also calls for urgent attention.

STAGE II: There will be stratified sampling technique of workers into various strata-faculties, department, work units, etc.

STAGE III: From each stratum, there will be random selection of sample size through balloting systems

3.6 Method of Data Collection

The two methods of data collection are;

1. **Quantitative method:** This involves the use of questionnaire.
2. **Qualitative method:** This involves the use of in-depth interview.

For the purpose of this research work quantitative method of data collection involving questionnaire will be used for the following reasons:

- a. It enhances the simplification of the results thereby involving a wider study which involves a greater number of subjects.
- b. It enables greater objectivity and accuracy of results
- c. It provides summaries of data that support simplifications on the phenomenon under the study.

3.7 Instrument for Data Collection

The questionnaire will be used to collect data for this investigation. According to Chirk-Jenn (2006), in a survey, the researcher uses a questionnaire to collect data from respondents in order to answer the research questions. A questionnaire is a useful tool for getting information from a large number of people in a short amount of time. As a result, the questionnaire's design is critical in ensuring that exact data is acquired and that the results are interpretable and

generalizable. The questionnaire will consist of questions that are related to compensation management system and industrial harmony as outlined in the study objectives.

The Questionnaire will consist of:

Section A: This covered questions on Socio-demographic variables.

Section B: Will be sub-divided into 3 parts (Part A-D) based on the research objectives. Likert five point scales ranging from 1 – 5 (strongly agree=1, agree=2, neutral=3, disagree=4 and strongly disagree=5) will be used as a basis for questioning. This is done in accordance with similar work done by Atuilik and Salia, 2019, Ogunmakin, 2020 & Sanusi and Mustapha, 2015

Part A; Effect of direct compensation (salary) on the industrial harmony.

Part B; Effect of indirect compensation management (bonuses and allowances)

Part C: Influence of recognition on industrial harmony

Part D: Compensation mechanism as an effective tool for enhancing industrial harmony.

The questions will be structured in a way to avoid ambiguity and technical details. Therefore, the questions will simply require respondents to tick () against the appropriate response.

3.8 Sources of Data

The two ways data can be sourced from are primary data and secondary data.

Primary Data.

Petir Driller (1975) defines primary data as "original data obtained specifically for a job at hand." It refers to materials created by the investigator or researcher for the purpose of the investigation at hand. Primary data are data that are specifically acquired for a specific purpose. One of the benefits is that accurate information is received because it is obtained from the researcher. They are new information that has not previously been acquired and exploited. Primary data are data that are collected for the first time and are unique in nature.

Secondary Data.

Secondary data defined as existing information that may be relevant for the goal of a certain survey. Secondary data is data that has previously been collected and processed. Secondary data can be gathered from both internal and external sources, such as books, journals, publications, government periodicals, company records, online services, newspapers, government organizations, and so on. The key benefit of this data is that it may not fit or be

used for certain information. Basically, in this research only the use of primary data was adopted.

3.8.1 Validity of Research Instruments

Validity is defined as the appropriateness, meaningfulness, and utility of specific inferences drawn from a research instrument. Validity can be determined in a variety of ways, including showing the instrument to a supervisor who is an experienced researcher as well as other experts in the field of study who will assess the validity feature, which will aid in determining an appropriate scenario.

The validity of the study will be improved by the pilot study, which was designed to pre-test the research tools and techniques before the study began.

3.8.2 Reliability of Research Instrument

The reliability of a data collection instrument is concerned with how consistent it is, which indicates if the questions in the survey receive the same type of response while the condition is constant. It refers to the degree to which repeated trials yield the same outcomes. To examine the reliability of the research instrument (for this study, the Likert scale will be used), and reliability analysis will be performed using Cronbach's Alpha as the measure. A reliability coefficient of 0.50 is thought to be enough for establishing a high level of internal consistency for the Likert scale. According to George and Mallerly (2013), a questionnaire scale is considered reliable if the statistical Alpha is equal to or greater than 0.50. This procedure aided in resolving any flaws in the questionnaire and the overall survey technique used in the study. To improve internal consistency, both the structure and content of the questionnaire will be improved.

3.9 Method of Data Analysis

Data collected will be analyzed using statistical packages for social sciences (SPSS) Version 23. Two main analytical methods will be applied in this study, namely, descriptive statistics and inferential statistics. In order to effectively conduct a valid analysis in the presentation and analysis of the data collected on the research field, the researchers used descriptive Statistical knowledge that will be employed is descriptive Statistics such a percentage, frequency and inferential Statistics such as correlation and regression.

CHAPTER FOUR

Data Presentation, Analysis and Interpretation

4.0 Introduction

This chapter presents the analysis and presentation of data using various statistical techniques discussed earlier in the methodology. All data collected were presented, analyzed and discussed in this chapter. 400 copies of questionnaire were carefully administered on respondents; however, 380 copies were correctly filled, error free and returned at the stipulated time. This result indicated a 95.0% response rate. Thus, 380 copies of questionnaire retrieved were analyzed and presented using Software Package for Social Science (SPSS) for easy comprehension.

4.1 Preliminary Survey Details

Table 4.1 Response Rate to Questionnaire Administered

S/No	Questionnaires	Frequency	Percentage
1.	Number of questionnaire administered	400	100%
2	Number of questionnaires not properly administered	7	1.75%
3.	Number of questionnaires not retrieved	13	3.25%
4.	Questionnaires retrieved and used for the final analysis	380	95.0%

Source: Field Survey 2021

Table 4.1 above provides the response rate to questionnaires administered. A total of 400 copies of questionnaire were administered. The total number of questionnaires retrieved after administration was 380 while 7 copies were not properly administered and 13 copies were not retrieved. This implies that 95.0% response rate was achieved.

4.2 Demographic Data of the Respondents.

The following shows the result of the analysis of demographic information of the respondents in terms of their Gender, Age Range, Educational level, Work experience, and Current position.

Table 4.2

Variable	Frequency	Percentage (%)
AGE		
21 – 30 years	19	5.0
31 – 40 years	133	35.0
41 – 50 years	133	35.0
51 years and above	95	25.0
TOTAL	380	100.0
GENDER		
Male	190	50.0
Female	190	50.0
TOTAL	380	100.0
EDUCATIONAL QUALIFICATION		
SSCE	0	0.0
OND/NCE	38	10.0
B.Sc/HND	76	20.0
MBA/MS.c/Ph.D	266	70.0
TOTAL	380	100.0
EXPERIENCE		
0-5 years	57	15.0

6-10 years	114	30.0
11-15 years	114	30.0
15 years and above	95	25.0
TOTAL	380	100.0
STAFF CATEGORY		
Management Staff	38	10.0
Academic Staff	190	50.0
Senior Staff	0	0.0
Junior Staff	152	40.0
TOTAL	380	100.0
TRADE UNION		
ASUU	190	50.0
NASU	152	40.0
SAANU	38	10.0
Others	0	0.0
TOTAL	380	100.0

Source: Field Survey 2021

Table 4.2 presented the demographic information of the respondents. The Age of the respondents is presented first, From the table above, it can be seen that 19 respondents representing 5.0% were between ages 21-30 years, 133 respondents representing 35.0% were between ages 31-40 years, 133 respondents representing 35.0% were between 41 - 50 years while 95 respondents (25.0%) were 51 years and above. Hence majority of the respondents were between 31 years to 50 years.

As shown above, 190 respondents representing 50.0% were male while 190 (50%) were also female. This simply implies that there are equal number of male and female who participated in this survey.

The educational qualification of the respondents are presented in the table as follows, 38(10.0%) of respondents have OND/NCE, 76(20.0%) have B.Sc/HND, 266(70.0%) have earned either MBA/MS.c/PhD. The result indicated majority of the respondents have MBA/MS.c/PhD.

The work experience of the respondents is also presented here. It can be seen that 57 respondents representing 15.0% have 0-5 years' experience working in LASU, 114 (30.0%) respondents have 6-10 years' experience, 114(30.0%) have 11-15 years of work experience while the remaining 95(25.0%) have 15 years and above. This result implies that majority of the employees that participated in this study have 6-10 years and 11-15 years

With respect to staff category; as shown in Table 4.2, 38 respondents representing 10.0% were management staff; 190 respondents representing 50.0% which form the majority were academic staff, while the remaining 152 (40.0%) were junior staffs in Lagos state University (LASU).

Additionally, the survey also collected information on the trade union the respondents belong. It showed that 190 respondents representing 50.0% which forms majority and half of the whole respondents belong to ASSU, 152(40.0%) belong to NASU, while the remaining 38 (10.0%) belong to SAANU. Majority of staffs belong to ASSU.

4.3. The link between employees' salaries/wages and work stoppages

This section presents the answer provided by the employees in response to research question one that seeks to identify the link between employees' salaries/wages and work stoppages.

Table 4.3.1. Employees' salaries are regular, hence no work stoppages at LASU

Responses	Frequency	Percentage (%)
Strongly Disagree	133	35.0
Disagree	95	25.0
Agree	76	20.0
Strongly Agree	76	20.0
Total	380	100.0

Source: Field Survey 2021

Table 4.3.2: Workers' salaries are buoyant thereby preventing industrial action

Responses	Frequency	Percent (%)
Strongly Disagree	114	30.0
Disagree	114	30.0
Agree	133	35.0
Strongly Agree	19	5.0
Total	380	100.0

Source: Field Survey 2021

4.4 The association between indirect compensation and strike action by employees

This section illustrates the association between indirect compensation and strike action by employees.

4.4.1: The management of the University handles pension benefits and arrears effectively and this has prevented strike action

Responses	Frequency	Percent (%)
Strongly Disagree		
Disagree	57	15.0
Agree	247	65.0
Strongly Agree	76	20.0
Total	380	100.0

Source: Field Survey 2021

4.4.2: Overtime payment is regularly effected hence, work stoppages cannot take place

Responses	Frequency	Percent
Strongly Disagree	76	20.0
Disagree	76	20.0
Agree	171	45.0
Strongly Agree	57	15.0
Total	380	100.0

Source: Field Survey 2021

4.5: The relationship between the University retirement plan and Labour-management rift

This section showed the relationship between the University retirement plan and Labour-management rift.

4.5.1: There is a provision for good retirement plan in my workplace that enhances industrial peace

Responses	Frequency	Percent (%)
Strongly Disagree	57	15.0
Disagree	95	25.0
Agree	133	35.0
Strongly Agree	95	25.0
Total	380	100.0

Source: Field Survey 2021

4.5.2: The University retirement plan is regular hence, there will be no occurrence of Labour-management rift.

Responses	Frequency	Percent
Strongly Disagree	38	10.0
Disagree	76	20.0
Agree	209	55.0
Strongly Agree	57	15.0
Total	380	100.0

Source: Field Survey 2021

4.6: The link between employees' pay rise and picketing in the workplace

This section also explained the link between employees' pay rise and picketing in the workplace

4.6.1: Employees regularly enjoy pay rise hence, nothing like picketing

Responses	Frequency	Percent (%)
Strongly Disagree	95	25.0
Disagree	38	10.0
Agree	133	35.0
Strongly Agree	114	30.0
Total	380	100.0

Source: Field Survey 2021

4.6.2: Job satisfaction due to upward wage review of workers prevent Labour unrest

Responses	Frequency	Percent
Strongly Disagree		
Disagree	95	25.0
Agree	152	40.0
Strongly Agree	133	35.0
Total	380	100.0

Source: Field Survey 2021

4.6.2: How effective is compensation management in enhancing industrial harmony?

Responses	Frequency	Percent
Not Effective at all	0	0.0
Somehow Effective	57	15.0
Undecided	38	10.0
Effective	285	75.0
Very Effective	0	0.0
Total	380	100.0

Source: Field Survey 2021

4.7 HYPOTHESES TESTING

Table 4.7.1: Hypothesis One

H₀: There is no significant relationship between employees' salaries/wages and work stoppages

H₁: There is significant relationship between employees' salaries/wages and work stoppages.

Correlations

			Employees' salaries/wages	Work stoppages
Spearman's rho	Employees' salaries/wages	Correlation coefficient	1.000	-.654**
		Sig (2-tailed)	.	.000
	Work stoppages	Correlation coefficient	-.654**	1.000
		Sig (2-tailed)	.000	.
		N	380	380

Source: Field Survey 2021

The result above indicated that there is a strong negative correlation between employees' salaries/wages and work stoppages by the employees with correlation coefficient "r" being -0.654. The correlation coefficient "-0.654" indicated a strong negative relationship between employees' salaries/wage and work stoppages although the value also depict a moderately strong relationship and can be regarded as moderate relationship because 0.6 is close to 0.5. Also, the significant value (sig 2- tailed) "0.00" is low than the p-value (p-value = 0.05). This implies that the relationship observed between the two variables is significant. Hence, null hypothesis is rejected, while alternative hypothesis is accepted. Hence, there is a significant strong negative relationship between employees' salaries/wages and work stoppages.

4.7.2: Hypothesis Two

H₀: There is no significant association between indirect compensation and strike action by employees

H₁: There is significant association between indirect compensation and strike action by employees

Correlations

			Indirect compensation	Strike action
Spearman's rho	Indirect compensation	Correlation coefficient	1.000	.488**
		Sig (2-tailed)	.	.000
	Strike action	Correlation coefficient	.488**	1.000
		Sig (2-tailed)	.000	.
		N	380	380

Source: Field Survey 2021

The result above indicated that there is a weak positive correlation between Indirect compensation and strike action with correlation coefficient “r” being 0.488. The correlation coefficient is below 0.5 (moderate correlation). This implies that there is a weak relationship between Indirect compensation and strike action. Also, the significant value (sig 2- tailed) “0.000” is lower than the p-value (p-value = 0.05). This implies that even thou the relationship observed between the two variables is weak, it is significant. Hence, Indirect compensation and strike have a significant weak association. To this effect, null hypothesis is rejected, while alternative hypothesis is accepted, which means, there is a significant weak positive relationship between Indirect compensation and strike action.

4.7.3: Hypothesis three:

H₀: There is no significant relationship between the university retirement plan and Labour-management rift

H₁: There is significant relationship between the university retirement plan and Labour-management rift

Correlations

			Retirement plan	Labour- management rift
Spearman's rho	Retirement plan	Correlation coefficient	1.000	.225 ^{**}
		Sig (2-tailed)	.	.412
	Labour- management rift	Correlation coefficient	.225 ^{**}	1.000
		Sig (2-tailed)	.412	.
		N	380	380

Source: Field Survey 2021

The result above indicated a very weak positive correlation between retirement plan and Labour management rift with correlation coefficient “r” being 0.225. This means that Labour management rift is not actually influenced or can be associated to retirement plan, according to the findings from this study. Also, the significant value (sig 2- tailed) 0.412 is higher than the p-value (p-value = 0.05). This implies that there is no significant relationship between retirement plan and labour management rift. Hence, we fail to reject the null hypothesis.

4.7.4: Hypothesis four:

H₀: There is no significant relationship between employees’ pay rise and picketing in the workplace

H₁: There is significant relationship between employees’ pay rise and picketing in the workplace.

Correlations

			Employees' pay rise	Picketing
Spearman's rho	Employees' pay rise	Correlation coefficient	1.000	-.812 ^{**}
		Sig (2-tailed)	.	.000
	Picketing	Correlation coefficient	-.812 ^{**}	1.000
		Sig (2-tailed)	.000	.
		N	380	380

Source: Field Survey 2021

The result above indicated that there is a strong negative correlation between employees' pay rise and picketing in the workplace with correlation coefficient "r" being -0.812. The relationship between employees' pay rise and picketing is strongly negative which implies that an increase employees' pay rise will reduce picketing in the workplace and vice versa. Also, the significant value (sig 2- tailed) which is "0.000" is higher than the p-value (p-value = 0.05). This implies that the association of employees' pay rise and picketing is significant. On this basis, null hypothesis is rejected and alternate hypothesis is accepted.

4.8 DISCUSSION OF THE FINDINGS

In this section, we discuss the findings from the analysis of the research topic **"COMPENSATION MANAGEMENT AND INDUSTRIAL ACTION IN WORK ORGANISATION"**

The general objective of this research was to examine the relationship between compensation management and industrial action in the Lagos State University (LASU), Nigeria.

The specific objectives examined the relationship between employees' salaries/wages and work stoppages, Indirect compensation and strike action, retirement plan and labour management rift and employees' pay rise and picketing in workplace.

The research examined the link between employees' salaries/wages and work stoppages. The findings disclosed that there is a significant negative relationship between employees' salaries/wages and work stoppages. This implies that, increase in salaries/wages should lead to decrease in work stoppages. This finding supports the result of Hakim (2020) in his research who found that salaries, wages and other compensation, career growth, work environment, and job satisfaction all had a favorable and significant effect on organizational commitment which invariably will reduce work stoppages.

The second objective was to investigate the association between indirect compensation and strike action by employees. Findings showed that there is a significant weak positive relationship between indirect compensation and strike action with correlation coefficient "r" being 0.488. This implies that when employees are indirectly compensated, the likelihood of strike action will be low, since the relationship is weak. A similar study conducted by Mensah (2012) investigated the effect of indirect pay on employee productivity. The study revealed that implementing only indirect compensations by managements contribute to lack of passion for work and this negatively affect worker productivity. This implies that indirect compensation alone is not sufficient to stop strike action or improve general workers' productivity.

In addition, the research analyzed the relationship between the university retirement plan and labour-management rift. An Insignificant weak positive correlation was observed with correlation coefficient "r" being 0.225 and sig value of 0.412. On that note, we failed to reject the null hypothesis. Retirement plan therefore is not significantly associated with labour-management rift. Findings by Zakari (2018) revealed that dispute(s) in the college system occur often as a result of non-payment of workers' entitlements, a lack of a conducive working environment, but, more importantly, the government's proclivity to breach agreements, hence, retirement plan contribute little or nothing to labour-management rift.

Lastly, the researcher examined the link between employees' pay rise and picketing in the workplace. There was significant and strong negative relationship between employees' pay rise and picketing. Therefore, an increase in employees' pay rise will lead to a significant decrease in picketing in the organisations. A similar study conducted by Mensah (2012) investigated the

effect of employees' pay on employee productivity. The study revealed that employees' pay rise contributes to increased commitment among employees' and this results in decrease picketing in the workplace.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.0 SUMMARY

The study focused on “Compensation Management and Industrial Action in Work Organisation: A Study of Lagos State University-- Ojoo”. The specific objectives of the study were:

1. To examine the link between employees’ salaries/ wages and work stoppages
2. To investigate the association between indirect compensation and strike action by the employees
3. To verify the relationship between the University retirement plan and labour-management rift
4. To examine the link between employees’ pay rise and picketing in the workplace

Marxist conflict theory and pluralist perspective were employed as framework. The research design was purely survey and questionnaire was used as instrument of data collection, while data analysis involved the use of percentages, frequencies and Spearman correlation coefficient. As a matter of fact, it was revealed in the study that majority of the respondents (35.0%) disagreed with the issue of employees’ salaries/wages being regular thereby causing no work stoppages. Similarly, 35.0% which represented the majority did not agree with the buoyancy of employees’ salaries that could prevent industrial action. It was equally shown that the University management of LASU did not handle pension benefits and arrears effectively in order to prevent strike action as claimed by 38.7% of the respondents.

By the same token, no concrete provisions for retirement plan in the workplace to engender industrial peace as claimed by 35.0% of the respondents representing largest proportion. It was also evident by the claim of majority of the respondents (35.0%) that employees did not enjoy pay rise, hence, picketing became inevitable. No job satisfaction through regular upward review of workers’ salaries and wages. As to the effectiveness of compensation management in LASU, 75.0 % of the respondents believed that it was not effective.

Hypothesis 1 showed significant relationship between employees’ salaries/wages and work stoppages with significant value (sig.2-tailed) “0.00” less than p-value (p-value =0.05). Consequently, alternative hypothesis was therefore accepted.

Hypothesis 2 revealed a significant relationship between indirect compensation and strike action with significant value (sig.2- tailed) “0.000” less than p-value (p-value = 0.05)

Hypothesis 3 indicated no significant relationship between retirement plan and labour – management rift with significant value (sig.2-tailed) “0.412” higher than p-value (p-value= 0.05). In view of this, null hypothesis was accepted.

Hypothesis 4 showed significant relationship between employees’ pay rise and picketing in the workplace with significant value (sig. 2 tailed) “0.000” less than p-value (p-value= 0.05). Consequently, alternative hypothesis was accepted.

5.1 CONCLUSION

Finally, in every job where compensation or reward administration is not adequately managed, industrial conflict or labour unrest is unavoidable. This is due to the fact that employees have their own ambitions, goals, interests, aspirations, and concentration that may differ from those of the employer. Workers' well-being should be the management's top focus at all times. Every employee desires job satisfaction through regular salary raises, motivation through favourable employment terms and circumstances, a suitable retirement plan, and cordial labour management interactions in order to contribute as much as possible to the productivity of the work organisation.

As a result, it is imperative that the management of LASU address the compensation management very well because workers there are not well paid as at when due, as indicated by the study. To allow for peace and harmony in the workplace, there must be a frequent upward review of workers' salaries and earnings, a sound retirement plan, and timely payment of employees' fringe benefits and entitlements. This becomes critical since, ideally, every University atmosphere must be tranquil in order to encourage a culture of learning and research, which is only achievable if there is industrial harmony between employees and the school's management.

5.2 RECOMMENDATIONS

From the findings of this research, the following recommendations are put forward:

1. Union leaders and management in LASU should regularly undergo training in conflict management skills in order to pave way for appropriate ways to manage rift at any point in time.
2. The welfare of workers must be paramount to the management. There must be regular upward review of workers' salaries and wages. Payment of such wages and salaries must be regular in order to promote workers' motivation and job satisfaction.
3. It is imperative for the management of LASU to introduce workers participation in management as a platform to establish industrial peace and harmony in the workplace.
4. The use of social dialogue and introduction of UNESCO's culture of peace must be embraced by both the management and workers of the institution
5. Negative attitude of employers of labour towards unionism in many work organisations should not be allowed to continue in the institution. It promotes rancour and acrimony which cannot allow peace to reign. Management should see workers as partners in progress working for the development of the institution.
6. There should be proper planning for the retirement benefits and pension of workers in order to motivate workers with the hope that after retirement they would have something to fall back on.

5.3 CONTRIBUTION TO KNOWLEDGE

1. The study added to knowledge in the area of knowledge gap created in the problem statement. Previous research on industrial conflict has concentrated on themes like as leadership styles, motivation, gender, collective bargaining, and so on, but little or no research has been done on compensation management in relation to industrial action.
2. The research would help the administration of LASU and other educational institutions around the country understand how and why there should be industrial peace by considering employees' welfare seriously.
3. The study would advance knowledge by assisting other academics and researchers in comprehending the underlying reasons of social unrest and academic calendar disruptions in the majority of Nigeria's educational institutions.
4. The study will hasten future studies on industrial conflict in other sectors of the economy, with the same results likely to surface at the end of the day.

5.4 SUGGESTIONS FOR FURTHER STUDIES

1. Further research can focus on compensation management relative to industrial disputes in manufacturing or banking sector.
2. Further study can concentrate on compensation management in federal government owned Universities relative to state owned Universities in Nigeria

Further research can direct attention towards compensation management in Nigerian private Universities relative to public Universities relative to their workers' participation in industrial action.

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**THE BUSINESS ADMINISTRATION DEPARTMENT
OF MOUNTAIN TOP UNIVERSITY
OGUN STATE**

**COMPENSATION MANAGEMENT AND INDUSTRIAL ACTION IN WORK
ORGANIZATION:
A STUDY OF LAGOS STATE UNIVERSITY (LASU), OJOO - NIGERIA.
QUESTIONNAIRE**

Dear Respondent,

My name is **Adegelu Beulah Boluwatife**. I am a final year student of Mountain Top University. I am writing a project on the above-named topic in partial fulfillment of the requirements for the award of Bachelor of Science Degree in Industrial Relation and Personnel Management (IRPM). I will appreciate it if the questionnaire is completed to the best of your knowledge with utmost sincerity so as to achieve credible results. Your anonymity is guaranteed and the information provided will only be used for academic purpose, and will be treated with utmost confidentiality.

Thank you.

SECTION A

Instructions: Please indicate by ticking (√) in the appropriate box.

Please answer the following questions.

- 1 Age: 21-30 [] 31-40 [] 41-50 [] 51 and above []
- 2 Gender: Male [] Female []
- 3 Educational Qualification: SSCE [] OND/NCE [] B.Sc/HND []
MBA/MS.c/Ph,D []

4 Experience 0-5 Years [] 6-10 Years [] 11-15 Years [] 15 and Above []

5. Staff category Management Staff [] Academic Staff [] Senior Staff [] junior staff []

6. Which trade union do you belong? ASUU [] NASU [] SAANU [] Others: (Please specify)

SECTION B

The link between employees’ salaries/wages and work stoppages.

Please tick one choice for each of the following statements according to your degree of agreeableness with the following statements or indicate.

SA- Strongly agree (4), A- agree (3), SD- Strongly disagree (2), D- disagree (1)

SN	Variable	SA	A	SD	D
1.	Employees’ salaries are regular, hence no work stoppages at LASU.				
2.	Workers’ salaries are buoyant thereby preventing industrial action.				
2.	Upward review of salaries at LASU promotes industrial peace.				
4.	All the fringe benefits associated with salaries are duly paid, hence labour crisis cannot occur.				
5.	Job satisfaction arising from timely payment of salaries prevents workplace conflict.				

The association between indirect compensation and strike action by employees.

Please tick one choice for each of the following statements according to your degree of agreeableness with the following statements or indicate.

SA- Strongly agree (4), A- agree (3), SD- Strongly disagree (2), D- disagree (1)

SN	Variable	SA	A	SD	D
1	The management of the University handles pension benefits and arrears effectively and this has prevented strike action.				
2	Overtime payment is regularly effected hence, work stoppages cannot take place.				
3	Health insurance of all workers are guaranteed; hence, workplace peace is guaranteed.				
4	All workers enjoy annual leave, vacation and allowances that ensure industrial harmony.				
5	Those employees that are entitled to official cars and houses are not denied such benefits, hence, workers always refrain from industrial action.				
6	All workers enjoy social security and this promotes absence of conflict in the workplace.				

The relationship between the University retirement plan and labour-management rift.

Please tick one choice for each of the following statements according to your degree of agreeableness with the following statements or indicate.

SA- Strongly agree (4), A- agree (3), SD- Strongly disagree (2), D- disagree (1)

SN	Variable	SA	A	SD	D
1	There is a provision for good retirement plan in my workplace that enhances industrial peace.				
2.	The University retirement plan is regular hence, there will be no occurrence of labour-management rift.				
3	Employees are motivated by provision of retirement plan hence, labour-management unrest is minimal				

4	There has never been a case of crisis by retirees since their entitlements are paid as at when due.				
5	Employees feel comfortable with benefits associated with their retirement and this paves way for workplace peace.				

The link between employees’ pay rise and picketing in the workplace.

Please tick one choice for each of the following statements according to your degree of agreeableness with the following statements or indicate.

SA- Strongly agree (4), A- agree (3), SD- Strongly disagree (2), D- disagree (1)

SN	Variable	SA	A	SD	D
1	Employees regularly enjoy pay rise hence, nothing like picketing.				
2.	Job satisfactions due to upward wage review of workers prevent labour unrest.				
3	Workers are motivated due to yearly rise in salaries and wages hence, conflict in the workplace cannot exist.				
4	Many employees are always encouraged to work harder due to their buoyant salaries that surpass strike action.				

How effective is compensation management in enhancing industrial harmony?

Not Effective at all [] Somehow Effective [] Undecided []
 Effective [] Very Effective []

THANK YOU