

Globalization and the Emerging forms of Employee Rights in Transformation Economies: The Contextual Issues

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Abstract

Employee rights have, and continue to be subject to significant analysis in developing economies from numerous perspectives; the economic dimension, the cultural and socio-political significance and the interconnectivity of these factors. Although this phenomenon is well established in pluralist democracies, it is an important factor in the process of democratization in some developing economies and a panacea for enduring Industrial Relations (IR) globally.

This paper contributes to this issue in Nigeria as an example of a transformation economy by focusing on employee participation forms which have developed in the country. It further investigates the emerging contextual issues which have significant contribution to the effectiveness of raising the floor for employee rights in the work environment. The paper is based on the analysis from 12 companies with well established IR practices and who are also key players in the Nigeria Employers' Consultative Association (NECA). The evidence from the empirical findings suggests that despite globalization, employee rights have specific country orientation (acquiring new contours) and thus reflecting the socio-economic and cultural predisposition which is common with many transformation economies.

Introduction

In the new global environment, labour relations is a significant area on which recent developments in the area of employee rights have had a dramatic impact and redefining relationships between institutional structures, decision-making processes and the key actors in the industrial relations system is essential. Concomitant with this understanding is the recognition that an effective industrial relations system is an important determinant of economic performance and one of the driving forces is the mechanism for establishing employee participation. There is detailed literature which has examined and analyzed employee rights (and in particular, collective bargaining) and a general conclusion that can be inferred is that there are enormous differences around the world in the genesis and conduct of industrial relations in general and employee rights in particular.

The past decade has been marked by the transformation of a significant number of countries in Asia and Europe from autocratic government and centralized economies towards democratic political structures and liberalized economies. A number of African nations have also been subject to this transformation process; Nigeria being an important example. Specifically, this paper investigates the employee participation forms which have developed in a transformation economy such as Nigeria as well as the pivotal roles played by the related contextual issues. This paper is based on the analysis of recent industrial relations development and evidence from 12 companies (in the formal labour sector) with international affiliation in Nigeria. Developing countries, such as Nigeria, are at an early stage in evolving participation structures and this paper makes a contribution in three ways. Firstly, it highlights the political and economic setting in Nigeria in the context of the overall democratization process and, secondly, it provides empirical data, which, thirdly, forms the basis of the contextual issues.

The Nigerian political and economic context

With a census figure of about 140 million in 2006, Nigeria is the most populous country in Africa. Nigeria gained independence from Britain in 1960. Four years later, the first Nigerian

national election to usher in a democratic government took place. Unfortunately, boycotts, malpractices and widespread violence (especially in the old Western Nigeria) marred the elections. This development instigated a military coup, which ensued in 1966. In 1979, Nigerians voted for a new National Assembly (The Senate and the House of Representatives) but this experience only lasted for around four years as a result of another military intervention in government. Thereafter, there were several intrigues by subsequent military governments for a democratically elected government, but this did not happen until May 29, 1999 when a democratically elected government was established. This return to democracy is the longest so far.

The Nigerian democratic experience has ushered in significant improvements in various democratic institutions. Under the Nigerian Investment Promotion Commission (NIPC) Act of 1995 (with a few exceptions), Nigeria allows full foreign ownership of firms outside the petroleum sector. Additionally, the democratic setting has led to active Federal government policy of privatisation and liberalisation thus increasing foreign investment (Budhwar and Debrah, 2001).

In addition, the political developments of the late 1990s brought about well-established and organised labour unions, which were established at national level with employees belonging to unions representing their skills or industries under a central labour union, Nigeria Labour Union (NLC). In 2005 the Federal government, in the process of democratising the labour movement, approved a further central labour body, the Trade Union Congress (TUC), and abolished the check off system as well as granting freedom to employees to decide the unions of their choice. It instituted collective bargaining rights to all employees in the private and public sectors. This development led to increased union activities and a new drive for employee participation.

Economic activity is still constrained by generally poor infrastructure. Roads, public transportation, and supplies of water, electricity and fuel, as well as public health management, need attention. Corruption is widely established as one of the most serious obstacles to economic growth in Nigeria. However, to correct this and give credence to its anti corruption campaign, the president in 2001 signed into law the Corrupt Practices and Other Related Offences Act, which established an Independent Corrupt Practices and Other Related Offences Commission (ICPC) to prosecute individuals, government officials, and businesses indicted of corrupt practices.

According to the International Monetary Fund (IMF), Nigeria's reform programme has laid the groundwork for a significant break from the past. Some of these positive outcomes, according to the report include:

- i. GDP growth and increases in per capital income, which have doubled in the last five years, compared with the previous two decades.
- ii. Improved macroeconomic indications, indicating decline in headline inflation to single digits in 2011 and the convergence of the parallel and official exchange rates, which is a reflection of the unification of the foreign exchange markets.
- iii. A reasonable external position. The economic outlook remains positive and risks are generally balanced.

Nigeria is characterised by a dual economy; it is Sub-Saharan Africa's second biggest economy and Africa's leading oil producer and ranks amongst the top ten oil-producing

countries of the world, but there are few linkages to the rest of the economy. The Nigerian economy depends largely on oil and export earnings from oil production accounts for over 90% of export earnings. The rest of the economy demonstrates a typical developing African model; around 30% of GDP comes from agriculture and the manufacturing sector is limited and developing slowly.

Employee Participation and Democracy

A central feature of industrial relations systems in the pluralist democracies of Europe has been the concept of employee participation; which has a direct linkage to societal democracy. Industrial relations actors, particularly trade unions play an indispensable role, not only in the exercise of the process and stability of democracies but also, particularly in the case of countries such as Nigeria, in the genesis of democracy itself. Unionism at the workplace is regarded by numerous commentators as providing a fundamental democratic right, which enhances democracy and employee rights (Freeman and Medoff 1979).

The concept, and the practice, of participatory structures manifest wide variations in national models of industrial relations, but there are also comparable developments driven by legislations of respective countries and regions. Differences in employee participation are partly derived from distinctive historical predispositions, which in turn have provided contrasting theoretical frameworks. The rapid development of human resource management (HRM) has generated an expanding concept of employee involvement that is particularly linked with the expansion of direct forms of employee participation. Direct forms of employee participation are based on the principle of individual employees being actively involved in the mechanisms of participation. Indirect participation is exercised through processes such as collective bargaining and elected representational structures.

Definitional discussions of employee participation in the literature are complex and varied (Poole 1978, Salamon 2000, Rose 2001) with key terminology, for example participation, involvement, voice and empowerment, frequently used as interchangeable terms. For the purposes of this paper a wide, and pragmatic, approach has been adopted as expressed by Summers and Hyman (2005: 2):

“Employee participation can therefore be seen as an umbrella title under which can be found a wide range of practices, potentially serving different interests. Any exploration of ‘employee participation’ has therefore to encompass terms as wide-ranging as industrial democracy, co-operatives, employee share schemes, employee involvement, human resource management (HRM) and high commitment work practices, collective bargaining, employee empowerment, team working and partnership....” It therefore entails every process or approach that gives the employee the opportunity to question, contribute and influence organizational decision making for the mutual benefit of the employee and organisation.

Although such a wide approach does not specify precise definitions it does allow the great diversity of structures to be included and therefore the interpretation and identification of employee participation trends in Nigeria which is aimed at ‘raising the floor for rights’ at work can be identified and facilitated. Moreover there is a fundamental characteristic of all employee participation models; it is a process designed for employees to participate, impact or influence decisions, which are related to their working environment. In this respect employee participation is also an issue of power relationships and the ideological paradigms of the societies in which it functions. In this sense ‘participation’ includes all the processes

that are applied to engage employees, or their representatives, at all levels of enterprises and companies in decisions affecting them.

The search by enterprises and companies in the highly competitive globalised economy for competitive advantages has been a significant driver for new models of partnership; not only direct participation forms but also new alignments between trade unions, employees and employers. The empirical literature assessing employee participation is extensive and continues to expand, not only in Europe but also in the USA and the Asia-Pacific region. From the European perspective much research has focused on the impact of the legal forms of representative participation, the works councils and supervisory boards being two examples. At national level, for example Germany, Frege (2002) has provided a detailed overview of the effectiveness and problems of the German works council and at European level EWC research has moved from broad assessments (Rogers and Streeck, 1995) to specific studies such as by Marginson et al. (2004) who focused on the issue of the impact of European Works Councils on decision-making at corporate level in UK and US-based MNCs. The empirical evidence on the outcomes of employee participation processes are diverse and highly dependent on what variables are used, what industries and the methodologies employed in the studies.

Comparative research, focusing on the United States, Germany, United Kingdom, and Australia, has revealed that there are common forces which have shaped developments in each country, but the form that industrial democratic structures evolve in individual countries have important differences (Poole, Lansbury and Wailes, 2001). In the African context the study by Kester (2007) of trade unions and workplace democracy, in selected African countries, distinctly reveals the critical role participation plays in the democratisation process.

Nigerian Industrial Relations – an overview

The Nigerian economy has undergone major structural changes since independence in 1960. The origin of government dominance of the economy can be traced to the immediate post-colonial era that witnessed a low domestic capital base. Accordingly, the government set up various corporations to carry out projects, which ordinarily would have been executed by private organisations.

The mid 1967 post civil war focus of reconstruction and rehabilitation coupled with the abundance of wealth generated through oil exports intensified the practice. This was the genesis of government dominance of the economy on the one hand and also as a dominant employer on the other hand. Although the Nigerian labour movement developed alongside independence of the country in 1960, with the first concerted collective bargaining pioneered by the Nigerian civil service union, the growth of unions in Nigeria could not match the growth of the country due to incessant military intervention on government and the Nigeria civil war of 1967.

Nigeria seemed to have overcome the uncertainties surrounding the long period of military rule with the successful organisation and completion of the second democratic election in succession. Some scholars (Budhwar and Debrah, 2001; and Udogu, 2005) predicted that the economic and political rebirth and rejuvenation will promote political and economic stability and thus an investment atmosphere. The framework of industrial relations in Nigeria is centered on a tripartite arrangement of government and its agencies, workers and their

organisations and employees and their associations. This partnership can be illustrated and summarized as follows:

The State

According to Udogu (2005), with the inception of a democratically elected government in 1999, the government's focus has been directed towards the process of developing and institutionalising democracy and true federalism in the country. This approach has brought about a new dispensation in labour policy with a view to pursuing voluntarism, and thus democratising the trade union. Accordingly, the Federal Government of Nigeria passed the Trade Union (Amendment) Act, 2005 "to provide amongst other things, the democratisation of the labour movement through the expansion of opportunities for the registration of Federation of Trade Unions as well as the granting of freedom to employees to decide which unions they wish to belong". (Trade Unions (Amendment) Act, 2005)¹. Some of the significant clauses are:

- Withdrawal of one central labour union in Nigeria

This implies that employees can only contract into their respective unions for deductions to be made from their wages. Union membership thus becomes voluntary;

- Conditions for strike action/lock out

There are several 'hurdles' to go through before a strike action or lock out can be carried out. This implies some procedural restriction.

The Employers

Although the employers have formed associations along industry lines, primarily for the purposes of presenting a united front with regard to collective bargaining, they have built on this by maintaining close contact with Nigeria Employers' Consultative Association (NECA)². As a federation of employers, as well as a parliament of employers, NECA's role among its members is purely consultative, since it does not enforce its advice on its members (Fajana 2000). Amongst its key role is, advising members on negotiations on wages, conditions of work, dispute handling and also representation to government (on behalf of employers) on specific labour matters. At its inception in 1957, the association had 54 members but by 2006 it had grown in excess of 350 members, an indication of its acceptance and relevance to employers.

Trade Unions

The labour unions have been structured along industrial lines by the state for better coordination of all employee/employer activities, such as collective bargaining. Accordingly, the NLC serves as the central negotiating body for workers, albeit with now a rival central body. The role of the NLC is political. It represents workers interest at the national level and in recent times has continuously engaged the government on matters of national interest. It resolves inter-union and intra-union disputes and also takes the lead in providing education and counseling to members. However, the Trade Union Congress (TUC), which is now a

¹ The Trade Unions (Amendment) Acts, 2005 was passed into law by the Nigerian National Assembly on 23rd March 2005, for the democratisation of the labour movement in Nigeria.

² NECA is the Nigeria Employers' Consultative Association. It is the umbrella organisation of employers in the organised private sector of Nigeria and was formed in 1957. It has membership strength in excess of 350 organisations.

rival/optional centre trade union has been given legal backing with the democratisation of the unions. It is intended to operate in a similar fashion as the NLC.

Methodology

The methodology is based on open-ended and semi-structured interviews in a number of selected companies to which access had been granted; in effect part of the study is based on the ‘case study’ model. The interviews were conducted with HR professionals in the 12 companies, which formed the basis of the study. There were two sessions of interviews conducted on company premises, for a period of around two hours on each occasion. The study is constrained by the narrow spectrum of respondents interviewed. The interviews were supplemented by data on the companies from company annual reports, journals and in house publications, and from documents detailing collective agreements concluded by the individual companies. In addition visits to the companies allowed a degree of observation and consequently the methodology can be characterised as a multi-method approach.

The majority of the case study companies are based in the western region of Nigeria, as this region of Nigeria provides the most advantageous mix of employees and organisations due to the fact that Lagos, as the former federal capital, continues to act as the financial, commercial and diplomatic centre of the country. Thus, it is the economic focal point for both Nigeria and the western coast of Africa. Additionally, most HRM initiatives and practices emanate from the western area which serves as a hub to most business organisations.

The case study companies were drawn from a wide sector of Nigerian industry, oil and gas, metals, food and beverages, and finance giving the study a broad spectrum of economic significant organisations. To some extent this allowed valid inferences from the data despite the fact that the case studies approach has clear limitations in terms of the totality of enterprises in Nigeria. However, they did reflect economic sectors which are important in the Nigerian context and were also long established and recognised companies. The small economic sector that these companies represent is a certain limitation for generalisations, but on other hand, it provides valid insights into the actors and mechanisms of employee rights.

Questionnaire Analysis

Sector	Company status	Number sent	Usable returns	Percentage of usable returns
Food / Beverage	Multinational/ Private	330	260	62
Manufacturing (Metal)	Multinational/ Private	110	83	20
Oil & Gas	Multinational/ Private	110	58	14
Bank (Services)	Private	55	14	4
Total	12	605	415	100

Note: The response rate of the questionnaire is 68 percent.

Most of the respondents are in the age group of 30–39 years (41 percent), while 71 percent are male and 29 percent female. This age group of employees is evenly spread in job classification. In other words, they cut across junior, senior and management staff. These are as follows: 40 percent (junior staff), 37 percent (senior staff) and 23 percent (management staff). With regard to experience, 225 (55 percent) have at least 5 years experience. On

education, 408 (98 percent) have at least post secondary education. On geographical spread, all three main geo-political groups are represented, with 238 (57 percent) from the west, 154 (37 percent) from the east and 23 (6 percent) from the north. With regard to relevance of employee representation, 389 (93 percent) agree that employee representation is relevant in the work place.

The contextual issues: The challenges and limitations

Many scholars (Anakwe, 2002; Myloni *et al.*, 2004; Okpara and Wynn, 2008) have argued that country specific conditions are significant factors in structuring or 'raising the floor' of employee rights in the work place. In the view of Anakwe (2002), whilst increased international business activities have highlighted interest in the convergence and divergence debate, an extension of the debate is the inclusion of a cross-vergence framework. However, the paper focuses on country specific issues which may or may not be embedded in the above framework. These contextual factors were identified as the most significant issues of concern by HR professionals in the course of structured and open-ended interviews (spanning over two years) and they are cultural beliefs, socio-economic climate and national institutions.

Culture

Many scholars have shared varying opinions on culture as a concept. One conclusion can be made: there are many definitions. As Barsoux & Schneider (2003) explain, exploring it involves a never ending process of discovery after discovery even leading to discovering of one's self. There is a huge amount of literature on culture and accordingly its definition. Most scholars (Holden, 2002; Thomas, 2002; Czinkota, 2003; Tjosvold and Leung, 2003) have taken the view that the perspective, from which it is being viewed, takes acquired meaning. Therefore, there appears to be continued and varying views on the meaning.

Others have taken the approach of a hypothesis that culture is converging but though this preposition could be of interest, documenting its validity according to Tjosvold and Leung (2003) seems to be enormous for the present social science methods. What should be of interest therefore is that 'our global world gives us greater opportunities to know each other and these opportunities reveal both our commonness and our distinctiveness' (Tjosvold and Leung, 2003:7). In the light of this, Holden (2002) and Czinkota *et al.* (2003), take the view that culture should be approached as a knowledge resource. Therefore, the 'differences' become 'resources' as a form of organisational knowledge to be exploited.

According to Lane *et al.* (2000), cultural values if not understood can pose significant barriers to business success. Sparrow and Wu (1988) support this view. Their empirical work confirms that understanding employees' values is extremely important in today's competitive business environment. Their study was based on Taiwanese employees.

However, focusing on Africa, Jackson (2004) asserts the value equation by stressing that the way western approaches are adapted to the African environment may well be a success factor in the making. Challenging this view as conditional, it is reported that such practices and policies must have congruence between the cultural values in the host country. This position is further confirmed by the recent IRS research (EIRR, 2000) alluding to the fact that all companies in the survey, displayed a tendency to decentralise operational decisions on reward by relying on local level intelligence. Therefore, cultivating cultural intelligence is a panacea for successful interrelationship in the workplace (Early and Mosakowski, 2004).

Socio-economic factors

The socio-economic factors are those issues that impact on the economic well being of the employee. More than often these issues cover benefits outside the collective bargaining process. They are best described as non-direct payments to employees and are subject to management discretion and sometimes as one-offs/occasional.

The societal and infrastructural settings of most developing countries, such as Nigeria, are frequently still in an embryonic state. Accordingly, issues for negotiations and collective bargaining are both economic and non-economic thus leading to the increased importance of trade union activities in developing economies. Additionally, most scholars (Beugre and Offodile, 2001; Jackson, 2004) have expressed the view that collectivism is a prominent cultural trait in Africa and the associated approach to employment relations is paternalism.

Thus, employees tend to view the employer as an extension of the family. It is therefore not unusual for the employee to approach management for housing loans rather than financial institutions. Most oil companies not only provide welfare and social services to their employees but have also launched their own community development programmes in their communities of operation to improve the standard of living of the residents. Therefore, maintaining a synergy between employee rights and the socio-economic situation in Nigeria remains a challenge for HR practitioners.

National Institutions

As a means of sustaining the gains of democratisation, the government has continued to promote a healthy economic and industrial relations atmosphere, through supporting unrestricted ownership of business in all economic spheres (except the oil industry), on the one hand, and also, on the other hand, pursuing labour laws that can encourage democratisation of labour activities. For example in 1997, according to Yehudah (2006) the Federal government granted collective bargaining rights to all employees of labour in the private and public sectors, thus incorporating principles of industrial relations law and practice into the private and public sectors. This development is a shift from a traditional human resource management model, which is based on unilateral determination of terms and conditions by employers after consultations, to a labour management relation's model, which allows joint determination of terms and conditions through negotiations between employer and elected representatives of the employees (Yehudah, 2006).

Findings and discussions

The contextual issues are significant factors in determining employee rights strategies in most developing and transformation economies. Nigeria is particularly interesting during the current period of economic transformation, as its strategy is to increase the industrial sector of its economy and consequently a likely target for multinational corporations. Therefore, the findings are discussed in relation to current challenges to employee rights as revealed by the sample study of the surveyed participants. Table 1 presents descriptive statistics for some HR practices in the surveyed organisations. The selection of the HR issues identified for the survey resulted from a listing of active HR matters identified by HR practitioners during the interview sessions.

Table 1**MEANS AND STANDARD DEVIATION FROM QUESTIONNAIRE**

Contextual Issues	N	Minimum	Maximum	Mean	Standard Deviation	Percent
Collective approach	415	1.00	5.00	3.9470	.89393	80
Teamwork and solidarity	415	1.00	5.00	4.2265	.76882	90
Dependence on employers	415	1.00	5.00	3.9446	.96775	70
Provision of medical service	415	1.00	5.00	3.7422	1.13934	70
Assistance from employers	415	1.00	5.00	3.8482	1.04654	75
Economic situation pressure	415	1.00	5.00	3.6627	1.07538	70
End of year gift	415	1.00	5.00	3.9928	.98169	82
Teamwork cultural attribute	415	1.00	5.00	3.8361	.95409	75
Relevance of employee representation	415	1.00	5.00	4.3952	.71423	90
Inter-country compensation	415	1.00	5.00	2.9952	1.12287	36
Inter-country compensation	415	1.00	5.00	2.9952	1.12287	36
Self negotiation	415	1.00	5.00	2.9253	1.29350	44
Productivity linked compensation	415	1.00	5.00	2.7807	1.18265	46

The descriptive statistics presented in table 1 was further analysed to reflect the relevant HR issues, which lean towards the contextual issues. These issues are culture, socio-economic and national institutions factors.

Culture

Some of the driving HR issues that relate to cultural beliefs and behaviours are collective approach to compensation/reward, teamwork and solidarity in the work place, and teamwork as a cultural attribute. Table 1 shows the means, standard deviations and percentage scores as answered by the respondents. The results depicted in table 1 show a moderate to high mean scores of the cultural factors. Also, on these issues 75 to 90 per cent of the surveyed participants 'strongly agree' and 'agree' to the importance of these factors in the workplace. In contrast, only 44 and 46 per cent respectively support self/individual negotiation and productivity driven compensation.

Socio-economic

Some of the HR issues attributed to this factor are end of year gift to employees, provision of medical service, and economic situation pressure. Table 1 shows the means, standard deviations and percentage scores as answered by the respondents. The results depicted in table 1 show moderate mean scores of the socio-economic factors. Additionally, between 70 and 82 per cent of the surveyed participants 'strongly agree' and 'agree' to the practice of these policies in their organisations.

National institutions

The State, the employers' association and the trade unions are the key actors to the industrial relations setting in Nigeria. The State intervenes in industrial relations through legislation (regulations and guidelines) to enhance industrial harmony. The trade unions exist primarily to protect its members and also provide an enabling atmosphere for collective bargaining and employee rights. The employers through the employers' association maintain a structured approach to relationship with the trade unions at the national level as well as the State. The key HR factors are collective approach reward/compensation and the relevance of employee representation in the work place. The data in table 1 show a moderate to high mean scores of these factors and over 80 per cent of surveyed participants 'strongly agree' and 'agree' to the importance of these factors.

Summary and conclusion

The aim of this paper was to investigate how factors originating from HR practices in a developing economy like Nigeria constitute contextual issues which shape a participation strategy. These perceived challenges and prospects would serve as guide to business organisations in Nigeria and multinationals who may be considering the extent of transfer or localisation of HR policies and practices from the perspective of employee rights.

The commonly held beliefs of the surveyed participants have been presented in the analysis of the questionnaire. These factors reflect common values, norms of behaviour and meaning of work. Also, preference for such factors as collective approach, teamwork and solidarity in the work place and relevance of employee representation are the traits of cultural perspective of collectivism, which is common in most developing/transformation economies. A likely

consequence of this is an active trade union environment. This suggests that most employee rights are better approached from the perspective of employee representation. As an HR practitioner put it in the course of the interview: “Employees are not perturbed about ‘rights’ as much as ‘expectations and opportunities’ as the work place is like an extension of the family/home”.

Prior to Trade Union (Amendment) Act of 2005, there was an automatic check-off system, which was intended to ensure that the trade unions had sufficient funds to operate and function properly. Membership to the trade unions was therefore automatic and employees were required to ‘contract out’ if they did not wish to maintain membership. Government’s intention in amending the Trade Union Act was to democratise the trade unions and thus withdraw the automatic check-off system. Accordingly, the withdrawal requires employees to ‘contract in’ to union membership. Whilst this latter approach is intended to create freedom of association, the long established role of trade unionism in Nigeria means that the trade unions view this development with considerable scepticism. Nevertheless, the cultural trait of collectivism has enhanced the activities of trade unionism and has made non-association a ‘taboo’. This cultural characteristic also offers an explanation for the persistence of employee participation in the work place.

As a result of the evolving political and difficult economic situation of most developing economies, the economic well being of the average employee is adversely affected. Therefore, in spite of the existence of collective agreements, the employer is still obliged to provide welfare schemes, which are non-direct payments to the employee. For example, supporting the provision of a canteen and medical scheme, JJ³ and KK⁴ state that ‘a team of healthy employees is a panacea for sustained productivity for the organisation’. As a trade union leader put it: “These issues may not qualify for collective bargaining/employee rights but are ‘employee expectations’ from a caring employer”. This is an important recognition of the role industrial relations actors (and in particular, employers) play in the establishment of industrial harmony and a stable democracy in the difficult political and economic climate of many transformation economies such as contemporary Nigeria. On the one hand, the unitary perspective is embraced but also on the other hand, the pluralist perspective cannot be ignored.

Moreover, there is strong evidence that cultural factors as well as the institutional paradigms drive employee participation and thus a trajectory for improved productivity and retention. The knowledge of what makes people tick is as important as doing the right thing when needed. In other words, we should end focusing unduly on raising the floor for rights at work but rather, understand what in the context matters. The findings could be particularly helpful for multinationals that are keen on understanding the role of industrial relations in transformational economies.

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³ JJ, General Manager, HR of Delta Aluminium Plc, interviewed April 18, 2006 and January 30, 2007.

⁴ KK, Head of HR, Packaging Division of Crescent Aluminium Plc, interviewed January 30, 2007.

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