

CONTRACT STAFFING AND JOB DISSATISFACTION IN SELECTED ORGANISATIONS IN PORT HARCOURT CITY RIVERS STATE, NIGERIA.

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ABSTRACT

The spate at which organisations are adopting the dimension of contract employment is alarming and it violates the national industrial act. Hence, the need to investigate contract staffing and job dissatisfaction in selected organization in Rivers state capital, Port Harcourt city. Adopting the survey research design, a likert scale questionnaire was used to collect data from 399 respondents consisting of management and staff of Nigeria Agip Oil Company, MTN Nigeria and United Bank for Africa (UBA) using the multi-staged sampling procedure. Data collected was analysed using descriptive statistics. It was found out that the motivations for accepting contract staffing by respondents is due largely to the factors that include: dissatisfaction with level of income, the only employee in their respective families, loss of a job, unemployment, they are the breadwinners of their families; their pay in their present employment is poor, and lack of employment opportunities among other factors. Finally, it was revealed that the reasons for job dissatisfaction among contract staff include: not getting what others are getting in terms of pay ranked 1st; lack of promotion ranked 2nd; lack of improvement in skills ranked 3rd; not benefitting from any allowances from the organisation ranked 4th; reluctance to extend contract period on the expiration of existing one ranked 6thetc. Based on the study findings, there is need for government to enact laws and establish institutions that will ensure that employers abide by the statutory provisions put in place to protect the employee's right and dignity of work. This will address the loopholes in labour laws and stop employment practices that encourage contract staffing.

Key Words: Contract staffing, Job dissatisfaction, Organisation, Labour union, Workers, Rivers State.

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INTRODUCTION

Contract staffing is growing at an alarming rate in Nigeria. More and more workers in permanent employment lose their jobs and are re-employed as contract workers. Unfortunately, this massive shift away from regular employment to contract work or job is having a deep negative effect on all workers, their families and society. This is because the workers classified as contract staff will fall back into the saturated pool of high unemployment pool in future. Contract work in recent times has acquired the status of permanent employment in many organisations in Nigeria without the statutory benefits associated with permanent employment status (Animashuan, 2012). Contract workers are subject to lower pay, barred from their right to join a union and denied medical and other benefits. Companies will often hire several part-time workers instead of one or two full-time workers to avoid their obligation to provide benefits, to divide the workforce, and to dissuade unionising efforts. The recent controversy surrounding the sacking of 3,000 workers by a Telecommunication Company, Airtel Nigeria Limited, became a matter of national concern, hence, the need for the present study.

Recently, there are instances where workers employed as contract staff with inferior wages and conditions are being used to reduce and eventually eliminate a permanent workforce of long standing. This trend has had significant and far-reaching impacts on employment given the dangers that precarious employment poses to the workers. This is what is happening in

nearly all sectors of the economy (Fischer, 2011).

The crucial questions are why should oil and gas or multi-national organisations, financial institutions, and telecommunication that pay higher remuneration hire workers and place them on contract? Why should an individual accept contract work? Does contract staffing improve the quality service delivery of selected organisations? What is the position of the law as it relates to the exploitation of labour and denials of contract staff their befitting entitlements in organisations?

The continuous hiring and prompt firing of employees without notice makes job adjustment difficult for employees, who by the nature of their job status cannot predict the next day's job in workplace. Poverty has bred a dangerous work environment where many desperate job seekers in the labour force are willing to take any job for survival purposes rather than dignity. This is a big challenge for trade unions and industrial sociologists in their quest to protect and advance worker's rights and foster decent work.

A good number of organisations have tended to shy away from recruitment or employment of permanent workers (Otobo, 2000). Previous researchers in this area such as (Fajana, 2006) Bourhris and Wils (2006) had tried to see the extent of the impact of contract staffing on organisational profit maximisation, and economic development. Some researchers for example (Lumoye, 2001 and Donkin, 2003) had also investigated the causes of contract staffing. How contract staffing has created unemployment and its consequences on

our present and future generation of workforce has not been empirically addressed, as it is seen in this research work. The above questions and assertions gave vent to this study, which seeks to investigate contract staffing and job dissatisfaction.

METHODS

The survey research design was adopted for the study to investigate contract staffing and job dissatisfaction in selected organization in Rivers state capital, Port Harcourt city. Staff including management and workers of Nigeria Agip Oil Company, MTN Nigeria and United Bank for Africa (UBA) constitute the study population. Using a multi-staged sampling procedure, 399 respondents constitute the sample of the study. The study utilized the questionnaire structured in a likert scale format for data collection. Data was statistically analyzed descriptively using the Statistical Package for Social Sciences (SPSS) version 20.1.

FINDINGS AND DISCUSSION

Table 1 below indicates that of the 399 respondents, 214 (53.6%) were males while 185 (46.4%) were females. It further shows that 91 (22.8%) respondents were in the 18-28 age bracket; 121 (30.3%) respondents fell within the 29-38 age range; 125 (32%) respondents were aged between 39 and 49 years, while 62 (15.5%) respondents were above 50 years old. It can be gleaned from table 1 also that 185 (46.3%) respondents were single; 113 (28.3%) respondents were married; 49 (12.2%) respondents were either separated or divorced, while 52 (13%) were widowed. The educational qualification of respondents reveals that 89 (22.3%) respondents were holders of FSLC/SSCE; 126 (31.5%) had OND/NCE; 97 (24.3%) were HND/bachelor’s degree holders; 38 (9.52%) had M.Sc./PhD degrees, while the remaining 49(12.2%) respondents had acquired professional certificates.

Table 1: Demographic variable of respondents

| Variables | Frequency | Percentage (%) |
|-----------------------------------|------------------|-----------------------|
| Sex: | | |
| Male | 214 | 53.6 |
| Female | 185 | 46.4 |
| Age: | | |
| 18-28 | 91 | 22.8 |
| 29-38 | 121 | 30.3 |
| 39-49 | 125 | 32.3 |
| 50 and Above | 62 | 15.5 |
| Educational qualification: | | |
| FLSC/SSCE | 89 | 22.3 |
| OND/NCE | 126 | 31.5 |
| HND/B.Sc. | 97 | 24.3 |
| M.Sc./PhD | 38 | 9.5 |
| Professional certificate | 49 | 12.2 |
| Rank: | | |
| Junior staff | 213 | 53.4 |

| | | |
|---|-----|------|
| Supervisory staff | 165 | 41.3 |
| Management staff | 21 | 5.2 |
| Level of monthly income (Naira): | | |
| Below 100,000 | 188 | 47.1 |
| 100,000-350,000 | 92 | 23.0 |
| 350,000-650,000 | 71 | 17.8 |
| 650,000 and above | 48 | 12.0 |

Source: Field survey, 2015

It is evident from the educational qualifications (in table 4.1 above) that the respondents were not sufficiently educated, and this gave rise to a high degree (53.8%) of junior staff (215 respondents); 165 (41.3%) respondents were supervisory staff, with very few 21 (5.2%) respondents being management staff respectively.

Motivations for accepting contract staffing

Data in Table 2 presents the some motivations for accepting contract staffing among respondents. As indicated in table 2, of the 399 respondents, 77.7 % said they are not

satisfied with their income; 54.1% of respondents have not been employed before; 69.9% of the respondents are the only persons working in their families; 252 (63.1%) had lost their jobs before; they accepted to work on contract while 49.9:50.1 are working and at the same time schooling. A significant proportion of the respondents said that the management has never promised to give them permanent tenure in the future. Finally, it can be seen from data in table 2 that 281 (70.4%) of the respondents said that they will accept a new job, if offered.

Table 2: Rationale for accepting contract staffing (N=399)

| Item | Responses | | | | Total |
|---|-----------|------|-----|------|-------|
| | Yes | % | No | % | |
| Are you satisfied with your income? | 89 | 22.3 | 310 | 77.7 | 399 |
| Have you been employed before? | 183 | 45.9 | 216 | 54.1 | 399 |
| Are you the only person working in your family? | 279 | 69.9 | 120 | 30.1 | 399 |
| Did you lose your job before now? | 252 | 63.1 | 147 | 36.8 | 399 |
| Are you working at the same time schooling? | 199 | 49.9 | 200 | 50.1 | 399 |
| Has management promised to give you a permanent tenure in future? | 55 | 13.8 | 344 | 86.2 | 399 |

Source: Field survey, 2014

From the responses generated, the motivations for accepting contract staffing by respondent is due largely to the factors that the respondents revealed to include: dissatisfaction with level of income, the only employee in their respective families, loss of a job, and unemployment among other factors. The survey thus indicates that people may accept to work for an organisation on contract because they are the breadwinners of their families; their pay in their present employment is poor, and lack of employment opportunities among other factors. These are the rationale for accepting contract staffing.

Workers want to stay with employers to meet their daily needs, despite the low level of remuneration. In addition, lack of job and loss of jobs are other rationale for accepting contract appointment. This is evident from the fact that the unemployment rate is high in Nigeria. Okowa (2005) confirms that mass poverty is indeed a visible phenomenon in Nigeria; the incidence of poverty is about 80 percent. Unemployment is one of the critical factors that generate poverty in Nigeria. In a similar study by Brown and Tiffen

(2007), Africa has the highest incidence of poverty anywhere in the world, despite the rich natural resources in the region. Their estimate shows that almost half of the population in the region lives in poverty. This is the major reason for accepting jobs without job security. This had also been found to be the case by Chalmers and Kalb (2001) in their study entitled: "Moving from unemployment to permanent employment".

Reasons for job dissatisfaction by contract staff

Table 3 summarises respondent’s reasons in order of importance for job dissatisfaction by contract staff. The result of the rank order of the reasons for job dissatisfaction among contract staff reveals that not getting what others are getting in terms of pay ranked 1st (94.2%); lack of promotion ranked 2nd (62.9%); lack of improvement in skills ranked 3rd (61.9%); not benefitting from any allowances from the organisation ranked 4th (57.4%); lack of prospects for career development ranked 5th (51.4%); reluctance to extend contract period on the expiration of existing one ranked 6th (46.9%).

Table 3: Reasons for job dissatisfaction by contract staff (N=399)

| Reason (s) | Frequen cy* | Percenta ge | Rank order |
|---|----------------|----------------|-----------------|
| Not getting what others are getting in terms of pay? | 376 | 94.2 | 1 st |
| Lack of promotion? | 251 | 62.9 | 2 nd |
| Lack of improvement in skills? | 247 | 61.9 | 3 rd |
| Generally not benefitting from any allowances from the organisation? | 229 | 57.4 | 4 th |
| Lack of career development? | 205 | 51.4 | 5 th |
| Reluctance to extend contract period on the expiration of existing one? | 187 | 46.9 | 6 th |

| | | | |
|-------------------------------|-----|------|------------------|
| Lack of leave entitlements? | 183 | 45.9 | 7 th |
| Lack of recognition? | 170 | 42.6 | 8 th |
| Lack of achievement? | 142 | 35.5 | 9 th |
| Lack of health care benefits? | 139 | 34.8 | 10 th |

Source: Field Survey, 2014; * Multiple Responses.

Data in table 3 above further show that lack of leave entitlement ranked 7th (45.9%); lack of recognition ranked 8th (42.6%); lack of achievement ranked 9th (35.5%) and finally, lack of health care benefits ranked 10th (34.8%). The above result was confirmed by earlier studies, which mentioned various factors as reasons for job dissatisfaction by contract staff. For instance, a survey conducted by Green (2006) observed that interest in the issue of job insecurity and job dissatisfaction has grown markedly over recent time, reflecting both the emergence of mass unemployment in most Western economies since the 1970s, and widespread concerns that increased recently in the workplace is an unfortunate by-product of policies emphasising more flexible labour market institutions. The deep economic recessions that unfolded in many developed nations in the aftermath of the global economic crisis of 2008 ensure that job insecurity and job dissatisfaction and its consequences will remain an important economic and social problem for the near future (Mansk & John 2000).

CONCLUSION AND RECOMMENDATIONS

Base on the foregoing findings, the following recommendations are adequate for effective policy actions that are necessary to regulate management and staff relationship in employment, and also promote

conditions necessary for job satisfaction:

1. There is need for government to establish institutions to ensure that employers abide by the statutory provisions already put in place to protect the employee’s right and dignity of work. This will address the loopholes in labour laws and stop employment practices that encourage contract staffing.
2. Unemployment and loss of jobs are some of the prevailing factors identified as enhancing contract staffing and job dissatisfaction. To curb this, policy makers should initiate organised labour market, that is, adequate job centres should be provided where the unemployed can go and register and potential employers of labour are directed to go there for recruitment of needed staff. This way, orderliness will be introduced into labour recruitment and contract staffing would gradually be eradicated in our workplace.
- 3 Finally, the long-term success of Nigeria’s trade unions and civil society organisations will hinge on their capacity not to only fight the degradation of work, but also to broaden their quest and struggle to increase job opportunities and living standards. Nigeria’s wealth should be used to build broad-based economic stability and support equitable economic development, to ensure restoration of decency and dignity of labour for all

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