Globalization and Emerging Work Trends: Implications for Organizations in Nigeria

1Austin-Egole, Ifeyinwa S., 2Wokoma, Chiemela U., 3Iheriohanma, E. B. J.
1Department of Sociology, Abia State University, Uturu, Nigeria
2Ph.D (Industrial Sociology) Student, Imo State University, Owerri, Nigeria
3Professor of Industrial Sociology, Directorate of General Studies, Federal University of Technology, Owerri, Nigeria

Abstract: Since the 1980s when globalization became intense as a result of technological advancement in communication, transportation as well as Structural Adjustment Programmes (SAP) that facilitated economic liberalization, socio-economic systems, structures, relations and processes have witnessed tremendous changes, emerging trends and patterns. Just like the Industrial Revolution and the Great Depression, globalization has significantly restructured the way work had been. To this extent, certain work trends have emerged. These trends include: the rise of knowledge workers; work and employment flexibility; outsourcing; and the need to ensure a work-life balance. These are aimed at ensuring maximum production from the workforce, at the lowest possible cost. However, evidence from literature suggests that most developing countries, Nigeria inclusive, are marginal participants in the globalization process and allied issues, including work. To this end, this paper discusses the implications of these emerging trends for organizations in Nigeria. It concluded by recommending that while these trends must be integrated as part of contemporary business culture, however, a sociological caution should be taken for these to be effectively integrated. Also, it was recommended that the development of high-performance manpower with critical knowledge that will drive these trends is imperative.

Keywords: Globalization, Work trends, Organization, ICT, Nigeria

1. Introduction

Since the Industrial Revolution (the rise of machines) and the great depression, work has continually been evolving and adapting to socio-economic milieus that are existent and prevalent at different points in time (Austin-Egole, 2013). With this, labour has equally been structured to fit in with prevailing work situations and structures at such times. However, since the wake of the 20th century, when sweeping socio-economic changes, interactions, interconnectedness and interdependence of nations became intensified, we are witnessing a virtual dismantling of national territories and sovereignty and the ascendancy of multinational organizational empires (Ajimiuwu, 2004). These multinationals are faced with intense global competition and thus, are out to maximize profit and dominate markets at the minimum cost possible, with concomitant impact on work, work structure and systems.

With globalization, futurologists have been busy forecasting what is going to happen to work (Armstrong, 2009). Handy (1984), identified that there is a rise in ‘portfolio workers’ and a significant change of work roles in traditional industries. Similarly, Wokoma (2012) avers that traditional work structures and practices are fast eroding, changing and transforming. In offering reasons for these changes, Nolan and Wood (2003) claim that “complexity, unevenness and the enduring features in the structure and relations of employment are crowded out by visions of universal paradigm shifts.” This universal paradigm shift is however, as a result of the social change – globalization - which is fast transforming and modernizing the way things are done especially work. Contemporarily, most organizations are responding to these universal paradigm shifts by adopting those work measures, patterns, structures and organizations that will enable them compete effectively and efficiently in this era of intense global competition.

The objective of this paper is to elucidate the emerging work trends cum characteristics that prevail, vis-a-vis globalization, in contemporary organizations. It discusses the implications of these trends on contemporary organizations in Nigeria, given the fact that Nigeria is a marginal participant in the globalization process.

This paper is divided into five sections. The present section offers an introduction and background to the discourse. The second section offers a discussion on the contemporary work trends. The third section is on the underlying factors promoting these emergent contemporary work trends. Section four elucidates the implications of the emerging work trends for organizations in Nigeria. The fifth section offers a summary and conclusion of the discourse while the final section discusses the recommendations.
II. Emerging Work Trends

The world of work is changing rapidly. Contemporary work organizations have found themselves imbibing some of the tenets of the twenty-first century corporations such as having a global reach and competing in a fast-paced, ever-changing worldwide business climate. In view of the above, the following have been identified as major emerging trends in contemporary workplaces:

1. The rise of knowledge workers
2. Work and employment flexibility
3. Outsourcing
4. Work-life balancing
5. Lean and mean organizational structure

2.1 The Rise of Knowledge Workers

In contemporary times, the need for knowledge workers has increased because of their competitive edge for organizations. Knowledge workers, as defined by Drucker (1993), are “individuals who have high levels of education and specialist skills combined with the ability to apply these skills to identify and solve problems”. The rise of knowledge-based organizations and the rapidity of technological change require a workforce that possesses a vast portfolio of relevant skills and critical knowledge. An outstanding characteristic of critical knowledge is that it is embedded in technologies, rules, and organizational procedures (Blacker, 1995). It is engrained into the practical activity-based competences, ingenuity, innovativeness, skills, and managerial abilities of people in a social unit (Iheriohanma, 2009). With the rise and importance of ‘working knowledge’ that is now in demand, knowledge workers are expected to help their organizations overcome contemporary market challenges and competitions. This is because skills required to support this emerging economic order are radically different from what they were in a few decades ago. The success of every organization depends on the expertise and knowledge of every single worker within it. The crux of working knowledge is the ability of knowledge workers to adapt to rapidly changing workplaces, knowledge-based organizations and environmental conditions in flexible ways.

2.2 Work and Employment Flexibility

Perhaps, this is the most visibly evident work trend in the 21st century. Organizations are responding to contemporary work challenges occasioned by globalization by adopting flexible work and employment patterns. In contemporary work organizations, such flexible work and employment options like tele-working, casualisation, outsourcing and other forms of flexible work arrangements have been adopted and rigorously applied. The rationale behind this is that organizations are frequently faced with challenges which are inimical to their survival in this era of intense global market competitiveness. The rise and application of Information and Communications Technology (ICT) have not only necessitated the flexibility but have facilitated the challenge and adoption.

2.3 Outsourcing

Another emerging work trend is outsourcing. It is the processes of engaging an external provider to do a job for an organization instead of having in-house employees to do the job. The basic idea about outsourcing is that if a firm does not specialize in a certain function which it does not consider core or have comparative advantage over performing it, it will outsource the work and therefore be able to offer better cost and quality (Clott, 2004). Outsourcing enables organizations to focus on core activities. As the business grows, activities expand as well. Thus, outsourcing helps to reduce the focus of the company to those functions which they consider core. For instance, Nigerian Breweries Limited outsourced such services as haulage, and focused on its core activity of beverage brewing. With this, it has significantly reduced the burden of transporting its products and the challenges that accompany it. According to Nwokocha and Iheriohanma (2012), outsourcing provides organizations the challenging opportunity to contract out jobs to specialized firms and contractors at little or no cost and burden. This will therefore, create enough space for employees to concentrate on the ones they have competence and comparative advantage.

2.4 Work-Life Balancing (WLB)

Work-life balance is another emerging work trend of much importance. In contemporary work organizations, most employees are striving to strike and maintain a balanced work and their personal daily living. WLB concept requires organizations to effectively integrate employees’ work and non-work roles such that levels of multiple-role conflict, and the associated stress and job-dissatisfaction that may lead to unfavourable work behaviour, are minimized or avoided (De Bruin and Dupuis, 2004). In contemporary times, jobs are becoming more complex thus, putting employees under pressure to improve on their performance by
producing quality results. Furthermore, the demographic (feminization) make-up of the labour force requires that organizations should strive towards ensuring that an efficient work-life balance is maintained. To this end, the provision of basic welfare facilities like the on-site- child-facilities can be very motivating especially now that a lot of organizations have women of child bearing age with infants. With their children nearby where they can be easily accessed by the mothers, the women can be more relaxed and concentrate on their work.

2.5 Lean and Mean Organizational Structure

In this era of globalization, most organizations are desirous of maintaining a flexible and lean organizational structure. Pucik (1992) notes that leading-edge organizations, irrespective of their national origin, share one key organizational design characteristics: Their corporate structure is simple and flat, rather than tall and complex. The global spread of economic competition has motivated large firms to embrace the lean and mean conception of organizational strategy. This conception looks at managing firms using small size and simple structures to increase performance (Gachunga, 2009). This new thinking is that managers should enhance performance by preventing their firms from employing too many people and operating with overly bureaucratic structures. Its competitive advantages include employee empowerment and managing people rather than numbers. However, this lean and mean conception rejects the assumption that bigger is better.

III. The Underlying Factors Promoting the Emergent Contemporary Work Trends

The critical underlying factors promoting these emergent work trends in the contemporary economic and production environment are discussed under Globalization and Information and Communications Technology (ICT).

3.1 Globalization

The world has witnessed tremendous changes since the 1980s. These changes are seen in the increasing rate at which world economies and societies are coming together to become an integrated and interconnected whole. The rate at which this is happening is so significant that the emergence of a new world society or global community has become very evident (Dada, 2004). This change is generally referred to as globalization. According to Iheriohanna (2008), globalization is both a phenomenon and a process that sees the world as being linked by economic interdependence, political and socio-cultural relations through the bridging of the factors of geographic distance in the establishment and sustenance of free border crossing. Adei (2004) posits that globalization is a phenomenon whereby distinct and separate national markets are becoming one huge global market place, with resulting internationalization of production and selling to the world as one market.

Globalization plays a prominent role in strengthening the dominance of a world capitalist economic system resulting in the importance of the nation state being gradually replaced with trans- national and or multinational companies and organizations. These organizations on their part are faced with fierce international competitive pressures which equally result in enormous changes. Furthermore, Ayantayo (2004) posits that “this change, an epitome of economic change, is manifested in the alteration of the economic structures, organizations, means of production and distribution of goods and services” including work structures. It is observed that for these changes to have deep rooted effects and encourage speedy transformation, certain facilitators are needed and put in place to see them to fruition. It is these facilitators that have enabled globalization to play its roles in strengthening the dominance of the world economic system thereby eroding national boundaries.

3.2 Information and Communications Technology

In today’s work organizations, Information and Communications Technology (ICT) has become a cardinal business tool. ICT has become synonymous with business skills. With the increasing proliferation and use of ICT, and the need for ICT compliant and competent employees, new patterns of work are emerging. Technology, especially information and communications technology makes the workplace flexible, since it frees the employee from a specific work location. It has also offered the employee opportunity for work – life balancing, free from the shackles of encumbrances, and work in the organizations can be accomplished with unimaginable speed, in so far as information is power and is accessed with ease.

IV. Implications of Contemporary Work Trends for Organizations in Nigeria

It is obvious that work trends are changing dramatically in a global scale, and developing countries should not be an exception. This is because, in this era of globalization, where national economies are opening up, no developing country wants to be left out in the global scheme of things. Thus, being excluded from the opportunities that globalization affords, especially the opportunity of transforming from “Third World to First World in one generation” (Adei, 2004), implies economic doom for Third World countries, particularly in Africa. However, the good news about globalization is that economies that attempt to dilly dally are whipped
Globalization and Emerging Work Trends: Implications for Organizations in Nigeria

into the global grid. This therefore, demands that Third World economies with fragile economic structures must, as a necessity, endeavour to build formidable economic structures rather than personalities in order not to be onlookers in the transforming global economic system and economic interconnectedness. This will provide them with the opportunity of competitive edge that the global grid affords rather than be marginal participants.

Globalization has led to a situation where the business processes are being outsourced. In Nigeria, this business practice has resulted in the disengagement of workers whose jobs are being outsourced. This has further contributed to the growing number of the unemployed, threatened on-job security and contributes to a workforce/labour market made up of part-time, temporary, adjunct, freelance, independent contractors and moonlighters. Outsourcing has also led to a situation where the business processes that are outsourced are at the lowest level in the hierarchy in terms of skills requirement. Entrekin and Court (2009) identified outsourcing as a factor that contributes to deskilling of human resources especially in developing nations. The United Nations Conference on Trade and Development (UNCTAD) (2003) reports that most developing countries engage in the provision of basic services such as data entry. Only a few have been able to improve quality or expertise in order to provide more complex services. Thus, on the positive side, it means that jobs are created, but on the negative side, it means that skill development remains minimal in developing countries like Nigeria. This is because, according to Scholte (2000), “the tasks are simple, routine, precise and easily measured and there are no deviations allowed. So there is no room for critical thinking”.

Because of the perceived economic advantages of outsourcing, it has led to a reduction in employee size of organizations, especially those who are perceived to be doing peripheral jobs. This has further led to the desirability of most organizations to operate a flexible work and employment structure. However, despite the competitive advantage and economic logic of flexibilization, Scholte (2000) cautioned that workers who have stable and secure jobs may well be more motivated, reliable, and productive than flexible or irregular employees. This has revealed that globalization has a decidedly corrosive effect on employment as much as it has on traditional economic engagements, and flexibilization is highly questionable and can lead to reduced rather than enhanced efficiency and competitiveness. Also, organizations, especially those operating in developing countries such as Nigeria, have the challenge of managing flexible/peripheral workers, whose loyalty they might not have.

With flexibilization of work and employment, organizational design fashion is now on the need to maintain a lean organization other than having an over bloated staff structure. Now, organizations are trying to achieve much with few employees, which of course, has implications such as determining how to motivate them. These conceptions are, however, alien to organizations in Nigeria that ‘must’ restructure their organizational design to reflect this fad spread by globalization (Wokoma, 2012). The actual design and implementation of this fad is however, a challenge as well as a dilemma as against the traditional, overly bureaucratic, large staff organizational design of most organizations in Nigeria, e.g. Nigerian Telecommunications Limited, which had a staff strength of about 15,000 (www.ncc.gov.ng/powerpoint_presentations/engr_fasholaNITEL.pdf). The Nigerian government, through its ministries and extra – ministerial departments and agencies, remains the largest employer of labour. The adoption of lean organization structure in government work processes implies expansion of the unemployment problem.

The world of work is changing rapidly and organizations are becoming increasingly knowledge based, requiring more highly skilled and knowledge labour (Iheriohanma, 2009). However, according to Austin-Egole (2013), there is a dearth of both knowledge workers and management in Nigeria. This is a big blow on the part of organizations operating in Nigeria especially state-owned enterprises, in this era of globalization. Globalization has brought about significant changes in workplace demography. It is evident from literature that more women are joining the world of work (Wokoma, 2013; Jackson and Schuler, 1990; Sumita, 2007). Jackson and Schuler (1990) opine that people aged 25-54 constitute a greater percentage of the labour force and that the number of mothers in the work force with children is expected to rise. This implies that contemporary workforce increasingly comprises of workers who need to strike a balance between family and work. These workers are faced with the dilemma of combining work and family responsibilities. In an attempt to achieve a WLB, however, organizations have to adopt a set of policies such as on-site child-care facilities, on-site gymnasiums, telecommuting opportunities, and even on-site sleeping quarters for the employees and their families (Hacker and Doolen, 2003).

V. Conclusion

It is obvious that the realities of contemporary times are evolving certain work trends. The prevailing milieu of globalization has warranted the need to adopt work trends that will enable organizations participate effectively in this era of societal interconnectedness and its associated competition. Some of the trends that have emerged over the years include the need to adopt a flexible work and employment structure. This has led to such work and employment structures as part time, freelance, moonlighting, etc. Also, there is an increase in
knowledge workers who are highly skilled and find challenge as a source of motivation. This crop of workers finds the traditional one-organization-employment very unattractive. They are so conversant with the use of emerging technologies, especially ICT, in carrying out their tasks. With globalization, economic liberalization and business process, outsourcing has become a dominant work trend. Here, organizations contract out some of their work to other organizations. For instance, most companies in Nigeria outsource their financial work and human resource works to trusted firms as Philips Consulting, PriceWaterhouseCoopers, Akintola Williams Deloitte etc. Also, most organizations contract out some of their tasks to other organizations outside their country. This type of outsourcing is commonly referred to as off-shoring. For instance, the Central Bank of Nigeria off-shores the printing of its polymer currencies to the Australian firm, Securency International Pty Ltd.

VI. Recommendations

With the increasing change in the demographic characteristics of the workplace, especially with the increasing feminization of the workplace, comes the need to establish a balance between work and family life. Thus, the provision of work life balance facilities and arrangement has become a necessity in this era of globalization in an effort to ensure maximum performance of each employee. The contemporary organizational design is to ensure a lean and mean organizational structure. This is achieved by ensuring a reduction in the number and levels of management and supervision (delayering) and workforce reduction (downsizing). Already, downsizing and rightsizing policy has been a ploy successive governments in Nigeria have adopted to reduce its workforce in the ministries and some establishments. Government policies to re-invigorate the traditional economic engagements and entrepreneurship that hitherto supported the formal sector of the economy should be vigorously put in place to encourage self-employment and creation of jobs. Government policies and transformation programmes should focus on the real sector of the economy that really should embrace the contemporary work trends, especially the manufacturing and productive sector and the service industry that are to be facilitated by ICT, knowledge-based workforce and lean and mean organization structure. The emergence of these work trends has become so conspicuous that they are synonymous with efficient organizational performance in this era of globalization. They have become prevalent in virtually all organizations across nations. However, developing countries have not fully embraced these changes that are already here with them. In order to fully harness the potentials of these work trends, developing countries need to put certain things in place and position themselves towards integrating these trends into their organizational culture. In doing this, the availability of knowledge citizenry and high-performance workforce is critical and essential. Thus, emphasis should be placed on the provision of functional education and training by restructuring the educational curriculum, human capacity building and critical manpower training strategies for critical knowledge workforce and management. This will produce critical knowledge workers and skills needed for the 21st century work activities and knowledge – based organizations.

Also, in applying these work trends, there should be due consideration of the socio-cultural and political work culture of Nigerians. For instance, most Nigerians prefer permanent employment contract and that is why they prefer public sector employment. Also, the establishment of large state-owned bureaucracies is also seen as a means of reducing the unemployment rate in Nigeria. The unemployment rate is highly being escalated by the presence of lean and mean organizational structure and the Nigerian government policy of rightsizing and downsizing. Thus, restructuring such bureaucracies without addressing its socio-economic and political implications can spell doom. Government is therefore, encouraged to maintain its employment policies through effective restructuring of its bureaucracies to accommodate the teeming unemployed youths until such a time there will be an encouraged number of knowledge – based workforce for effective global competitive edge and entrepreneurship.

It is the avowed opinions of this paper that these work trends have come to stay and will continue to shape work activities and structure. However, developing countries, such as Nigeria, should carefully and consciously apply these trends to their advantage. It is just like globalization trend has no alternative than to whip every economy in line. Nigeria cannot be an exception.

References


www.iosrjournals.org
Globalization and Emerging Work Trends: Implications for Organizations in Nigeria


