

ORIGINAL ARTICLE

International Labour Standards and Industrial Relations Practice among Selected Banks in Lagos State, Nigeria

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Citation (APA Style):

Ogundele, J.I., & Majekodunmi, S.A. (2025). International Labour Standards and Industrial Relations Practice among Selected Banks in Lagos State, Nigeria. *Economic Insights – Trends and Challenges*, 14(1), 121-129. <https://doi.org/10.51865/EITC.2025.01.08>

Abstract: Securing harmonious interactions among parties in work atmosphere seems a wish rather than reality. So far, attempts of investigators remained vague and inconclusive, so there is room for more research. The title of this enquiry is “international labour standards and industrial relations practice among selected banks in Lagos State, Nigeria.” Two cardinal variables are involved, independent variable (international labour standards) and dependent variable (industrial relations practice) The study successfully collected 390 copies of administered questionnaire using exploratory survey involving cross sectional method and multistage sampling technique. The findings in Hypothesis one indicated no significant relationship between labour standards on trade unions and labour unions activities in the selected banks with a significant value (sig, 2tailed) 0.150 higher than p-value 0.05 Hypothesis 2 revealed no significant relationship between ILO Convention on collective bargaining and salaries/wages of workers with significant value (sig, 2tailed) 0.064 higher than p-value 0.05 Hypothesis 3 showed a significant relationship between labour standards on occupational safety/health and the health/safety practice with significant value (sig, 2tailed) 0.001 less than p-value 0.05 Hypothesis 4 indicated no significant relationship between ILO standards on employment policy and employment security with significant value (sig, 2tailed) 0.337 higher than p-value 0.05. To satisfy ILO standards in industrial relations practice, the study, therefore, recommended that employers of labour in the banking sector should embrace, trade unionism, collective bargaining, and good employment policy for high productivity to be attained always.

Keywords: International; Labour; Standards; Industrial Relations; Practice.

JEL Classification: M10; M12; M19.

1. Introduction

If workplace harmony and good productivity are to be ensured, employers must handle labour as a unique aspect of production effectively. Given this, companies must safeguard employees' interests, rights, benefits, and entitlements through appropriate policies, rules, and laws to prevent unfair labor practices that could lead to workplace dissatisfaction and industrial conflict. The ILO developed suitable labour standards—also known as labour standards—that businesses must adhere to while managing their workers based on these Conventions. The rules and regulations governing working conditions (such as those governing working hours, employment stability, workers' rights to unionize, pay, and terms and conditions of employment), as well as workplace health and safety, are known as labour standards (ILO 2020).

Industrial relations practice deals with everything that affects the relationship between workers and employers (Imafidon, 1996; Marsden, 2019). Several challenges that are inherent in the practice of industrial relations in the workplace affect how employers and employees interact with one another. Such matters need to be handled carefully to make room for positive labour-management relations. The nature of the connection between labour and employers is influenced by salaries and wages, collective bargaining, trade unions, joint consultations, co-determination, grievance handling, motivation, and rewards management (Dunlop, 1968; Fajana, 2005; Venkatta, 2009).

Issues in industrial relations practice represent the totality of interactions and relationships existing between workers and employers and between them and the government in employment relations. It must be emphasized that industrial relations practice focuses attention on diverse issues bordering on collective bargaining, trade unions, job security compensation management, effective disputes resolution, and good terms and conditions of employment between workers and business owners/managers that could ultimately pave way for increased productivity and improved product quality as encapsulated in various ILO Conventions.

Many work organizations and employers of labour handle the practice of industrial relations with levity, thereby making labour experience constant unfair practices in work relations. This is evident in the activities of many financial institutions in Nigeria, especially in the Banking sector where workers frequently experience job insecurity, casualization, negative attitude towards trade unionism, underpayment, absence of collective bargaining, and excessive display of management prerogatives that prevent job satisfaction and commitment among workers. Most of these employers have downplayed the primary focus of industrial relations practice which is to ensure the sense of co-operation and good rapport among various interests that participate in production or service activities which must be in tandem with labour standards as advocated by ILO Conventions (Dunlop, 1968; Salamom, 2000; Fajana, 2005). From the foregoing, the study investigates, the link between labour standards and industrial relations practice among selected Banks in Lagos state, Nigeria.

2. Literature Review

2.1. International Labour Standards

International Labour Standards came into operation as a result of concerted efforts of government, employers and employees that form ILO constituents. These constituents designed ILO standards as a legal document showing clearly the rights of workers, process and procedures to follow at the workplace in order to enhance decent work and peace. These rights and principles form ILO Convention that every member state must comply with at any point in time. Part of the core International Labour Standards are:

2.1.1. Right to organize and right to freely join association. 1948 Convention (No. 87).

This convention gives freedom to both employers and employees to freely join any organization they want by choosing without worrying about being molested or needing permission first. The right to form and join federations and confederations, which may then affiliate with international organizations of workers and employers, as well as the freedom to organize without fear of suspension or dissolution by the administrative authority, are guaranteed to workers' and employers' organizations. In actuality, ILO member states have approved this convention.

2.1.2. Collective bargaining Convention, 1981 (No. 154)

According to Zulum (2019), collective bargaining implies a situation whereby negotiation takes place between an employer, a group of employers, or one or more employers' organizations in respect of working conditions and terms of employment, giving a level playing field for employees to react constructively.

2.1.3. Employment security Convention 158 of 1982

To ensure a minimal level of employment security for workers, this outlines the circumstances under which employment contracts may be canceled. All employees are covered by the rules, except for those on probation, casual employees, and those with fixed-term.

2.1.4. Protection of wages

The concept of minimum wages and conditions that protect wages is established by some regulations. One crucial circumstance under which workers should be guaranteed a minimum wage is when wages are unusually low and collective agreements do not include wage floors, according to **Convention 26 of 1928**.

Measures to support collective agreements are established under **Industrial Relations Convention 154 (1981)**. It first asserts that all industries, employers, and working groups should be able to engage in collective bargaining without restriction. Second, it demands a gradual expansion of collective bargaining agreements to include working conditions. Third, it advises that before implementing any policy intended to promote collective bargaining, governments should confer with employer organizations and worker groups.

2.1.5. Industrial relations practice

It focuses on collective relations and concomitant activities between the management and trade unions in the work setting (Fields, 1990; Salamom, 2000; Fashoyin, 2014; Edwards, 2019). Because of this, negotiations, dispute resolution, positive attitude towards trade unions by the employers, industrial democracy, occupational health and safety, well-remunerated workers, respect for human dignity, good contract of employment social security are some of the key issues embedded in industrial relations practice. The industrial relations system of a country is based on the activities and degree of cooperation existing among the actors namely: the employer, employees, and government.

However, the government remains powerful in this regard because it interferes in the areas of labour policy, rules, and regulations guiding the workplace such as conflict handling, wages and salaries administration, and social security. This confirmed the claim that industrial relations practice is a function of what happens in political and economic realms (Charnovitz, 1987; Edgren, 1979; Ootob, 2005; Yusuf, 2011; Aneke, 2014; Ahinoma-Young, 2018). Industrial relations practice focuses on collective relations and concomitant activities between the management and trade unions in the work setting.

2.2. Theory

As a result of his interpretation of Parsons' framework of the social system, John Dunlop noted that the industrial relations system is a sub-system of an industrial outlay. More so, John Dunlop noted that the industrial relations system is a part of an industrial society just like an economic system. The industrial relations system and the economic system are intermingled in some respects, while they have different scopes in other respects. The economic system focuses on a systematic explanation of production, while the industrial relations system deals with the procurement of personnel and setting of compensation or wages and salaries.

Furthermore, John Dunlop argues that an industrial relations system involves identifiable stakeholders, specific settings, and principles that synergically form the system as a whole, as well as a set of rules made to regulate the actors in the workplace. Workplace managers, workers and government agencies concerned with the workplace and work community are only a few examples of the industrial relations actors. In specific circumstances, the practice of industrial relations is influenced by environmental conditions.

Certain actors refer to the industrial relations actors as the hierarchy of managers and their representatives in supervision, the hierarchy of workers and their organizations, and government agencies responsible for the regulation of workplace and work community activities. Certain contexts imply workers, employers and government. Dunlop claimed that industrial relations exist in the contexts of economic, political social and technological factors. Additionally, the product, markets or budgetary constraints and the locus and distribution of power in the larger society are embedded in the contexts of industrial relations. Pure competition and product differentiation or monopoly explain clearly types of product market. The market or budgetary constraints may come in form of policy of government that may affect industrial relations system. The product market or budget is a critical factor that determines the web of rules in an industrial relations system.

According to Systems Theory by J.T. Dunlop (1958), several environmental factors affect how well coworkers and bosses get along at work and result in the resulting "web of norms." According to the systems theory of industrial relations, there are connections between the political, economic, social, cultural, and legal systems. He believed that certain individuals, particular circumstances, and particular ideologies are what make up the workplace's industrial relations system. The economic structure, the technological character of the activity, and other factors will define the extent of the relationship between labor and management.

3. Methodology

The research design was a purely descriptive survey involving cross-sectional method was used in this study. The study' sample consisted of 400 employees' involving six Banks in Lagos State namely: Zenith Bank, GT Bank, Access Bank, United Bank for Africa, First Bank and Fint City Monument Bank

4. Data Analysis

Table 1 presents the responses to the administered copies of the questionnaire.

Table 1. Analysis of Questionnaire Response Rate

S/No	Copies of Questionnaire	Frequency	Percentage
1.	Number of questionnaires administered	400	100%
2.	Questionnaires retrieved and used for the final analysis	390	97.5%
3.	Several copies of questionnaire were not retrieved.	10	2.5%

Source: Field Survey (2024).

As reflected in Table 1, the study administered 400 copies of the questionnaire, however, 390 copies (97.5%) were retrieved for final analysis, while 10 copies (2.5%) were not retrieved.

4.1. Hypothesis One

H₀: There is no significant relationship between ILO standards on Trade Unions and labour unions activities

H₁: There is a significant relationship between ILO standards and labour unions' activities

Table 2 presents the result of the correlation test of hypothesis one.

Table 2. Results of the Test of Hypothesis One

Model			ILO Standards on Trade unions	Labour unions activities
Spearman's rho	ILO Standards on Trade unions	Correlation coefficient	1.000	0.351**
		Sig (2-tailed)		.150
	Labour unions activities	Correlation coefficient	0.351**	1.000
		Sig (2-tailed)	.150	
		N	390	390

Source: Field Survey (2024).

From the Table 2 above, the result indicated that there is a weak positive correlation between ILO Standards on trade unions and labour unions activities with a correlation coefficient of "r" being 0.351. Therefore, the relationship or association between ILO Standards on trade unions and labour unions' activities is low. Also, the significant value (sig 2- tailed) "0.150" is higher than the p-value (p-value = 0.05). This implies that the weak relationship observed between the two variables is not significant. Hence, the null hypothesis is accepted, while the alternative hypothesis is rejected. That is, there is no significant relationship between ILO Standards on trade unions and labour unions activities in the selected Banks.

4.2. Hypothesis Two

H₀: There is no significant link between the ILO Convention on collective bargaining and the salaries/ wages determination of workers.

H₁: There is a significant link between the ILO Convention on collective bargaining and salaries and wages determination of workers.

Table 3 presents the result of the correlation test of hypothesis two.

Table 3. Results of the Test of Hypothesis Two

Model			ILO Convention on collective bargaining	Salaries/wages determination of workers
Spearman's rho	ILO Convention on collective bargaining	Correlation coefficient	1.000	0.265*
		Sig (2-tailed)		.064
	Salaries and wages of workers	Correlation coefficient	0.265*	1.000
		Sig (2-tailed)	.064	
		N	390	390

Source: Field Survey (2024).

From Table 3 above, the result indicated that there is a very weak positive correlation between the ILO Convention on collective bargaining and the salaries/wages determination of workers with the correlation coefficient "r" being 0.265. Therefore, the association between workplace medical facilities and employees' output is very weak. Also, the significant value (sig 2- tailed) "0.064" is fairly higher than the p-value (p-value = 0.05) which indicates that the weak relationship observed between the two variables is not significant. Hence, the ILO Convention on collective bargaining has low association and therefore has a low influence on the salaries/wages determination of workers. To this effect, the null hypothesis is accepted, while the alternative hypothesis is rejected, which means, there is no significant relationship between the ILO Convention on collective bargaining and salaries/wages.

4.3. Hypothesis Three

H₀: There is no significant association between labour standards on dispute resolution and grievance handling in the selected banks

H₁: There is a significant association between labour standards on dispute resolution and grievance handling in the selected banks

Table 4 presents the result of the correlation test of hypothesis three.

Table 4. Results of the Test of Hypothesis Three

Model			Labour standards on occupational health and safety	Health/safety practice in selected Banks
Spearman's rho	Labour standards on occupational health and safety	Correlation coefficient	1.000	0.0110*
		Sig (2-tailed)		.0001
	Health/safety practice in selected Banks	Correlation coefficient	0.0110*	1.000
		Sig (2-tailed)	.0001	
		N	390	390

Source: Field Survey (2024).

The result in Table 4 above indicated that there is a strong positive correlation between labour standards on occupational health and safety and health/safety practice in selected Banks with a correlation coefficient "r" being 0.0110. However, the significant value (sig 2- tailed) 0.0001 is lower than the p-value (p-value = 0.05) which indicated that the result is significant. This implies that the relationship observed between the two variables is significant. Hence, the null hypothesis is rejected while the alternative hypothesis is accepted, meaning that there is a significant association between the labour standards on occupational health and safety and health/ safety practice in the selected banks.

4.4. Hypothesis Four

H₀: There is no significant relationship between ILO position on job security and employment contract in the selected banks.

H₁: There is a significant relationship between ILO position on job security and employment contract in the selected banks.

Table 5 presents the result of the correlation test of hypothesis four.

Table 5. Results of the Test of Hypothesis Four

Model			ILO position on job security	Employment contract
Spearman's rho	ILO position on job security	Correlation coefficient	1.000	0.368
		Sig (2-tailed)		.337
	Employment contract	Correlation coefficient	0.368	1.000
		Sig (2-tailed)	.337	
		N	390	390

Source: Field Survey (2024).

The result in Table 5 above indicated that there is a weak positive correlation between ILO position on job security and employment contract with a correlation coefficient of "r" being 0.368. Therefore, the relationship between ILO's position on job security and employment contract in the organization is weak. Also, the significant value (sig 2- tailed) "0.337" is higher than the p-value (p-value = 0.05). This implies that the negative weak correlation observed between the two variables is not significant. On this basis, the null hypothesis is accepted, while the alternative hypothesis is rejected. That is, there is no significant relationship between ILO position on job security and employment contract in the selected banks.

5. Discussion

The primary goal of the research was to determine how International Labour Standards (ILO) have been followed in industrial relations practice among selected banks in Lagos State, Nigeria.

Findings revealed in hypothesis one that there was no significant relationship between ILO Standards on trade unions and labour unions activities in the selected Banks. In hypothesis two, the null hypothesis was accepted, while the alternative hypothesis is rejected, which means, there was no significant relationship between the ILO Convention on collective bargaining and salaries/wages.

Hypothesis three revealed that the alternative hypothesis is rejected while the null hypothesis is accepted, meaning that there is no significant association between the labour standards and grievance handling in the selected banks. Finally, hypothesis four indicated negative weak correlation observed between the two variables is not significant. On this basis, the null hypothesis is accepted, while the alternative hypothesis is rejected. That is, there is no significant relationship between ILO position on job security and employment contract in the selected banks.

6. Conclusions and Recommendations

6.1. Conclusions

The purpose of this study was to verify International Labour Organisation (ILO) Standards and industrial relations practice among selected Banks in Lagos state, Nigeria. The study revealed that indices of industrial relations practice such as recognition of trade unions and labour unions' activities, collective bargaining on terms and conditions of employment, grievances handling and employment policy on job security among Banks are not well established except in the area of occupational safety, health and environment. It becomes expedient for Nigerian Banks to give priority attention to industrial relations practice as this will enhance job satisfaction, motivation, commitment and excellent performance among the employees. This will go a long way to reinforce expansion and profit making among Nigerian Banks.

6.2. Recommendations

Following a thorough analysis of the data, several recommendations were made:

- All financial institutions in the country and other work organizations should be compelled by the government to recognize the existence of labour unions and their activities that are in line with the protection and promotion of their terms and conditions of employment. This will prevent labour exploitation and unfair labour practices in the Nigerian banking industry
- As a matter of necessity, conventions on labour standards must be forced on all ILO member states and their respective work organizations to enhance labour dignity and good quality of work life.
- Collective bargaining must be taken with utmost seriousness by employers of labour in the public and private sectors. It is a tool to enhance the balance of power distribution between labour and employers. It also prevents the emergence of perennial workplace conflict since most issues bordering on work relations must have been addressed by workers and employers.
- Government should formulate labour policy that would prevent unnecessary termination of the appointment of workers according to the whims and caprices of employers. This will accelerate job security and commitment on the part of employees which can reinforce a high level of motivation and commitment.

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