

Title of Paper: Restructuring, Management and Labour Relations: Study of Workplace Relations at NNPC, Nigeria (1988-2007).

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INTRODUCTION

This paper, which is part of a larger research work for PhD in Industrial Sociology at Rhodes University, South Africa, contributes to the growing body of knowledge within the genre of labour process analysis, for understanding contemporary workplace relations. As against mainstream managerialist literature, the study deflates the claim that contemporary workplace has become a total institution where the normative managerial precepts have succeeded in 'colonizing' the 'body' and 'soul' of employees. It examines the experiences and responses of shopfloor workers; in the wake of new-wave managerial practices to a 're-engineering' of working practices, mainly at the point of production.

It is argued that; in response to Corporate driven initiatives, shopfloor workers manifest ambivalence of attitudes; concertive and oppositional, that further express their 'identity-concerns' in the workplace. In the context of new production systems, our findings illustrate how shopfloor workers can, and indeed employ mix forms of covert and subtle resistance involving their subjectivity and agentic role in leveraging and re-negotiation of management's normative framework concerning work re-organisations initiatives. In accounting for resistance, we not only note the implications of the emerging patterns of labour process in producing the 'disciplined worker', but focus primarily on other contextual nuances; how old traditional skilled-craft identity, and orientation of plant operators in the refinery, mediate the outcome of the new normative expectations. Our findings qualify the need for labour process researchers to be attentive to the interface between the 'managed' and 'unmanaged terrains' in the workplace, through which the human agency mediates in the enactment of shopfloor orientations and experiences of workers.

BACKGROUND OF STUDY RESEARCH CONTEXT.

The Nigerian National Petroleum Corporation NNPC was established on April 1977 by the Federal Government of Nigeria with the mandate to manage the operational aspects of the oil industry in Nigeria, while the regulatory functions reside with the Federal Government. The NNPC is a successor organization to the Nigerian Oil Corporation which was established in 1977. In addition to its exploration activities, NNPC developed operational interests in refinery, petrochemicals, and products transportation as well as marketing. Between 1978 and 1989, NNPC constructed petroleum and petrochemical refineries in Warri, Kaduna, and Port-Harcourt (www.nnpigroup.com).

However in the last two decades, the Nigerian National Petroleum Corporation NNPC, one of the largest federally owned corporations in Nigeria, has emerged from one of the most ambitious and far-reaching organizational restructuring in its thirty-year history. In 1988, the corporation was decentralized into twelve strategic subsidiaries and units covering the entire

spectrum of the corporation's operations. As an autonomous federally owned corporation, NNPC is regulated by Department of Petroleum Resources (DPR)—a Department within the Ministry of Petroleum Resources (www.nnpcgroup.com). In the last ten years, the operations and activities at NNPC have centered on coping with the challenges of both intense internal and external developments in the oil industry; in particular, with regards to its products. The concern has been to make its products compete favorably in the world market, both in terms of pricing and quality. As a result, the business units and subsidiaries of NNPC have been re-organized into companies with NNPC as a holding company (www.nnpcgroup.com).

Port-Harcourt Refinery Company (PHRC), Eleme, is one of the twelve subsidiary companies of NNPC. It provides a petroleum refinery service to the nation. It is also charged with the development and production of specialized petroleum products. The operations and activities of the company are carried out by two departments within the company: Production, Engineering and Total Quality Control Dept; and Administration, Personnel and Manpower Development Department (www.nnpcgroup.com).

Relevant to this study, however, are the patterns of employment relations within the company. Within the regulatory framework that established NNPC, operational activities at the refineries are expected to respond to the restructuring at the corporate level. The nature and patterns of work relations at this level thus becomes scholarly important. This is because it 'is at the factory level that the formation of workers consciousness and its manifestation are clearly shown in response to production process' (Adesina 1989: 2-3). Activities at the shopfloor critically 'reflect workers perception and explanations of their location in the relations of production' (Adesina 1989: 2). While on the one hand, workers location in the relations of production reflects these dynamics, the interpretations and definitions workers give to their positions also becomes area of interest within the context. We therefore chose the Port-Harcourt Refinery Company of NNPC, in addition to the corporate headquarters, as the sites for this study, to analyze these various interplays.

RESTRUCTURING, MANAGEMENT: ANALYTICAL FRAMEWORK AND CONCEPTUAL APPROACH.

The Labour Process analysis provides the theoretical framework for this study, and its conceptual underpinning. This conceptual tool is adopted because labour process and its critical understanding within capitalist mode of production require a deep insight into the character of labour-management relationship. As Gamze (2000:32-38) notes, labour process analysis 'generates a critical understanding of the world of work, and of the submerged issues of management control, and politics of work'. In its critical analysis of managerial control over labour, the conceptual insights from labour process debate have been influential. Its use as a conceptual approach for understanding the capitalist mode of production is largely influenced by Braverman's (1974) seminal work, *Labour and Monopoly Capital*, which in turn was inspired by Marx's analysis of the capitalist mode of production.

Subsequent contributions and empirical studies on labour process by various authors and researchers have indeed demonstrated how the analysis of capitalist labour process explains the inherent tensions and strains between capital and labour-power. Building on Braverman's labour process analysis, the 'second-wave' analysts and writers such as Paul Thompson (1999), Paul Edwards (2007), David Spencer (2000), Paul Stewart (2005), and those from the Brighton

Labour Process Group have written extensively on its relevance as a conceptual tool for analyzing the capitalist labour process. Earlier works in this area have focused on specific issues: for instance Burawoy's (1985) analysis of role of consent in the reproduction of the capitalist relations of production at work, Freidman's (1977) analysis of forms of management controls and workers resistance, and Edward's (1979) work on the control strategies utilized by those performing the global functions of capital—all these serve as backdrops to our understanding of managerial control and workers resistance in the workplace (Ellis 2004: 5-7).

Empirical studies have also shown what restructuring often means for workers and workers interests at the workplace something different from its presentation by management (Gregor 2000). For instance, Willmott (2000:135) argued that often restructuring, as 'cloaked in the discourse of empowerment, are set out to create high levels of workers job satisfaction, trust, motivation and commitment, clearly represents the latest in a long line of management techniques to ratchet up the level of labour exploitation.' Reflecting on the information technology in the workplace, Willmott argues that managerial practices represent the 'intention and techniques to intensify appropriation of surplus-values from labour, through the use of information and technology' (2000:135). In essence, from the perspective of labour process analysis, business process at the workplace with its constituent components of new technology of production, employee involvement and work reorganizations are strategies, when stripped bare, aimed at tapping into shopfloor-based knowledge for increased productivity and the intensification of work control (Willmott 2000:137). Thus, from labour process analysis, managerial role is to be understood and analyzed, primarily, as techniques for extracting surplus-values. Further, Teulings (1986) argues that 'managerial work should be understood as part of the collective labour process at the corporate level; and secondly it must be analyzed and treated with the same conceptual apparatus in the treatment of production relations' (cited in Willmott 1986:143). In other words, at the point of production, managerial practice is to be conceived as a medium and outcome of distinctive and often unequal power relations between capital and labour. If managerial practice is thus conceived, it follows that potentially problematic issues and tensions are bound to be generated at the point of production. While labour process analysis, as a conceptual approach in analysing and understanding workplace relations and shopfloor remains a foundational theoretical insight into the capitalist mode of production, 'in a context like Nigeria, it needs to take into consideration the specific culture context and dimensions in which workers perceive their location in the world of work' (Adesina 1991:145). In a peripheral neo-liberal economy like Nigeria, the labour process framework remains a credible conceptual approach in understanding the character of workplace relations (Adesina 1988). However, disputes have emerged through later extensions and exploration of the conceptual framework by other scholars and researchers, which for the purpose of empirical grounding and adequacy 'needs to incorporate context-specific insights' 'in its application as an analytical tool' (Adesina, 1991:145). Axiomatic as 'context-specificity' may sound in cases of sociological workplace studies, it remains the bane of many sociology of works in which concepts and insights developed from one research site are mapped on another site

METHOD OF STUDY.

The study rests largely on the use of ethnographic method for the empirical investigation of workplace relations at NNPC. Building on the principles of Extended Case Method (Burawoy 1998), as a research technique, the study adopts the technique of "workplace

ethnography” in exploring the lived experiences of the workers within their local and extra-local social process. As an approach to doing workplace study, the technique allows the researcher to “share in the daily experiences of the researched subjects” (Adesina 1988). In other words, it gives meaning to wide array of social forces that determine workers location within the unfolding social process of world of work. It gives insights to workers perception of managerial strategies from “inside and bottom” (Burawoy, 1998:8). On the relevance of workplace ethnography, Burawoy (1998: 12) notes “in so far as meaning, attitudes, and even knowledge do not reside in individual but are constituted in social situations, then we should be doing study from a population of social situation of respondents.” The study sites for the research work were both the Corporate Headquarters of NNPC, and the Port – Harcourt Refinery Company (PHRC), a subsidiary of NNPC. Studying complex organizations like the NNPC which require eliciting employees’ attitudes and responses in the wake of organizational changes therefore entails an immersion in the everyday life of the organization. For this study, the primary method of data collection was extensive observation at the research sites over a period of five (5) months between the month of April and September 2008. My ethnographic study covered different phases of the organization both at the Corporate Office and at the Refinery.

RESULTS.

The wider context of corporate managerial practices of NNPC as a State Owned Enterprise is found to have had a profound influence in shaping the shopfloor orientations of the plant operators. Corporate managerial practices that define and drive workplace control mechanisms in the refinery; particularly the socio-technical control systems as well as patterns of implementations are embedded in its corporate ethos, shaping the outcomes, and workers experiences. Workers experience and expectations of the Corporation as State Owned Enterprise do have a significant influence on how they interpret and respond to ongoing changes in the organization. The corporate cultures at NNPC encapsulated into its normative values are constantly reechoed to the workers in diverse but in unmistakable words; erected on entrances into the refinery are the signboards, ‘NNPC touches your lives in many diverse ways’ - emphasizing the significant position and roles of the Corporation within the socio-economic context of Nigeria. On why workers should imbibe the corporate values, another one reads; ‘this is our farmland, we should not do anything injurious to it’. On Notice Boards in the refinery, and contained in the Company’s Bulletin are captions compelling Operations Workers to embrace Team Working and new production programs that drive Quality Performance.

At NNPC, in place, is the Joint Consultative Committee-an institutionalized structure of bi-partite relations between the Management and the in-house Unions; meant to function as collaborative working relations on the various shared objectives of the Corporation. While it is meant to diffuse the expression of conflict and opposition associated with the shared managerial initiatives, workers perception and interpretation of JCC is found to be something different from managerial perceptions. To the workers, the gradual replacement of traditional negotiating mechanisms with JCC is perceived as gradual weakening and erosion of power of trade unions representative roles. Management’s enactment and justifications of normative elements surrounding new production systems are often met with ambivalence, thereby providing space for workers inversion, leveraging and re-appropriation of the rhetoric. Empirical evidence of workers reluctance to ‘buy in’, and consequently forms of opposition, though covert and subtle, remains at the margins of this collaborative arrangement under JCC. Thus, in spite of the elaborate Managerial enactments and justifications of the discourse surrounding TQM and

Team working, for instance; it is found out that Plant Operators still rely and indeed mobilize old traditional hierarchical status and occupational boundary between them and the credentialed engineers in creating occupational identity. This collective skilled-craft is retained in challenging the new managerial initiatives. In their 'resistance through devotion', (Ferraris et al 1993) it is not uncommon to find Plant Operators in the refinery countering and resisting changes regarding aspects of plant operations.

Our findings also illustrate how refinery workers in their agentic-formation, rooted in the concertive shopfloor relations, shape their interpretations and understanding of new work arrangements. Our findings at the refinery have shown that workers' experiences were not all consummating, but most fundamentally, tacit opposition and resistance reside and spring up from their re-appropriation of the frameworks. As part of managerial initiatives to secure Plant Operators' acceptance of Team Working, mutiskilling, job-swapping and TQ programs in the refinery, there were series of morning-briefing for team members and leaders, in-plant training sessions organized by Training Consultants. At JCC Meetings, cascading from corporate level down to the Branches and SBUs, Management never minces words on the need for workers to embrace the new production systems. It is in this context that workplace implications and workers' responses are analysed. While on the one hand, Unions leaders are observed to express the willingness to talk the rhetoric at Meetings, ambivalence and resistance are still demonstrated at the refinery. As remarked by one of the Union leaders in one of the JCC Meetings, 'Managements failure to do things properly has always been the cause of suspicion...because Management always remains unrealistic about the problems associated with the new challenges'.

DISCUSSION.

Among other empirical concerns, this study has focused on the implications of Managements initiatives on workers' identity investments-subjectivity, as agentic factor in mediating the processes of consent and resistance in the workplace. While the impacts of Managerial strategies regarding control/resistance remain exemplar of contemporary workplace practices in producing a 'disciplined worker', and lived experiences of the refinery workers, it is argued that this should not be taken as given. Rather, there are other immanent and nuanced workplace implications manifested in forms of organizational *misbehaviors*, (Thompson and Ackroyd, 1999). Thus, in the study of workplace 'structured antagonism', it has become instructive for researchers to also account for the mediating role of employees' subjectivity.

This study has therefore sought ally with analytical observations of second-wave labour process analysts: Collinson (1994), Knights and Willmott (1985, 1989, 1995) in a reconceptualisation of 'power/knowledge relations in contemporary workplace as being subjectively experienced', (Collinson 1994:52). The study further suggests that researchers need to be cautious in justifying the claim that contemporary workplace and the diverse managerial practices have become totalizing and inevitable. As growing body of theoretical and empirical findings confirm; Hugh Willmott(1994), David Knights(1993),Collinson(1994),Ackroyd and Thompson (1999) emerging workplace dynamics have opened up both material and symbolic spaces for 'cultural ensembles' for workers to deploy 'a variety of individual and collective forms of resistance to stall, dilute and subvert new forms of work system', (Ezzamel et al 2001). A dialectical turn in the analysis and reconceptualization of the 'structured antagonism',

accounts for the structure/agent, control/resistance as mutually embedded contradictions in the contemporary workplace.

In a more functionalist interpretation of this dialectical understanding, Tompkins (2005:17) notes 'theorizing and analyzing on resistance and opposition must take special caution not to attribute too much agency to either employees or Managers, but to instead find a balance that describes how both parties interact together to form a situational expressions of control and resistance'. Collinson (1994:53), had earlier cautioned that 'researchers should be careful not to overstate or romanticize oppositional practices'. Impliedly, it is the locally situated practices of socio-technical control systems of the organization that provides the mutually embedded terrain for interplay of infra-politics surrounding power, consent and resistance at the point of production.

CONCLUSION.

This study has provided additional weight to the growing body of theoretical and empirical conceptualizations of contemporary workplace that suggest a 'counter' look at the emerging patterns of workplace employment relations. It recognizes, with other critical perspectives within the lineage of labour process analysis that there are other sides to the narratives of normative assumptions behind the managerial initiatives, which are largely leveraged by contextual nuances of the specific organization. While the contexts of contemporary workplaces 'structured antagonisms' are, indeed embedded with consent and compromise, the dynamics of the 'new' employment relations, especially of the capitalist mode of production are still underground with oppositions and resistance, albeit covertly. The challenges therefore remain for labour process analysts and researchers, on how to ceaselessly put these 'unmanaged terrain' into significant theoretical and conceptual constructs.

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