

EXAMINING THE PRACTICE OF HUMAN RESOURCE MANAGEMENT IN NIGERIA THROUGH THE LENS OF THE SEGMENTED BUSINESS SYSTEM THEORY

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ABSTRACT

This study seeks to examine the nature of HRM in Nigeria and its relationship with the segmented business system theory. Findings drawn from a survey of 122 public and private sector organizations indicate a diversity of practices among organizations, which reflects a segmented business system. This diversity of practices can be discerned along the lines of sector and size of organizations, indicating that the nature of HRM in Nigeria fits the profile of a segmented business system. The implications of these findings are discussed.

Keywords: *HRM, Nigeria, Segmented business system, Comparative capitalism, Institutional theory.*

INTRODUCTION

There has been recent interest in research on human resource management (HRM) in Africa, resulting in the accumulation of a substantial body of research in this area (see Kamoche et al., 2012; Ellis et al., 2015; Wood & Bischoff, 2020). Nevertheless, much of the research on HRM in Africa has been dominated by cultural frameworks that seek to examine the effect of cultural values on HRM (Ellis et al., 2015). Although the influence of culture on HRM has been well documented, there is evidence to suggest that the effect of institutions on HRM is more profound (Brookes et al., 2011). Further, the cultural and ethnic diversity that exist within African countries suggests that cultural approaches may be inadequate for understanding HRM in many African countries (Bischoff & Wood, 2012), including Nigeria. The foregoing has necessitated calls for researchers of HRM in Africa to adopt institutional frameworks for a better understanding of HRM in heterogeneous cultural contexts of African nations (Wood et al., 2011; Kamoche et al., 2015).

There are different frameworks for understanding the impact of institutions on the practice of HRM (Wood et al., 2014; Vaiman & Brewster, 2015). Rational-hierarchical models of institutions such as property rights theory and new institutionalism view institutions as providers of incentives and disincentives to firms (cf. Wood et al., 2012). Whilst property rights theory emphasizes that optimum economic performance will be achieved by protecting the rights of owners and weakening the rights of workers (North, 1990; Botero et al., 2004), new institutionalism suggests that the adoption of HRM practices is driven by the need for organizations to achieve legitimacy (Meyer & Rowan, 1977; DiMaggio & Powell, 1983; Scott, 2014). Although rational-hierarchical approaches assume that the existence of efficient best practices as well as similar pressures confronting organizations from the external environment will lead to the homogenization and convergence of organizational practices (Wood et al., 2012), research evidence suggests the persistence of national differences in the practice of HRM (Georgen et al., 2013).

In contrast to rational-hierarchical approaches, the literature on comparative capitalism highlights national differences in the institutional environment comprising of the financial, regulatory, educational, and employee relations systems, and their impact on HRM (Brewster & Mayrhofer, 2012). Two main approaches that have dominated the literature on comparative capitalism are the varieties of capitalism approach (Hall & Soskice, 2001) and business systems theory (Whitley, 1999). The varieties of capitalism approach which seeks to distinguish between liberal market economies (LMEs) and coordinated market economies (CMEs) has been the subject of much of the research on HRM within the literature on comparative capitalism (Brewster et al., 2011; Georgen et al., 2013;

Christensen et al., 2019). However, this approach has been criticised for its focus on developed countries to the neglect of developing countries (Vaiman & Brewster, 2014).

Business systems theory on the other hand examines national economies based on the means of ownership, the extent of collaboration and competition between firms, as well as the nature of employer-employee interdependence (Whitley, 1999; Wood et al., 2012). Unlike the varieties of capitalism approach which focuses primarily on the nation-state as a unit of analysis, business systems theory places emphasis on firms, implying that the effect of institutions on firm-level practices is specifically recognized in the business systems theory (Wood et al., 2011). Originally, Whitley (1999) identified six typologies of business systems while Wood & Frynas (2006) extended Whitley's work by identifying a seventh typology of business systems known as the segmented business system which is characteristic of Africa. Unfortunately, whilst the segmented business system theory offers an innovative institutional approach to understanding HRM in African contexts, not much research on African HRM has utilized the model. This study therefore seeks to bridge the research gap by examining the practice of HRM in the Nigeria through the lens of the segmented business system theory. This study is significant as it represents the first attempt at situating HRM in Nigeria within the comparative capitalism literature. The study focuses on labour legislation, recruitment and selection, training, and employee involvement.

The Segmented Business System Theory and HRM in Nigeria

Although Africa is not a homogeneous entity, most emerging countries of Africa have a shared historical legacy of colonization and are currently undergoing another wave of economic imperialism through the instrumentality of the World Bank and the IMF (Dibben et al., 2017). This has important implications on institutional configuration, and by extension, the management of human resources in African contexts (Okpara & Wynn, 2008; Dibben et al., 2017). The adoption of neoliberal reforms in African countries such as trade liberalization has made indigenous firms vulnerable to fierce competition from advanced country multinationals while privatization has resulted in massive job cuts which has spurred the growth of the informal economy (Ikyanyon et al., 2020). To compete successfully, firms resort to the adoption of informal practices that are characterised by labour cost cutting while a handful of organizations, mainly large private organizations, as well as those in the public sector operate with formal HRM practices. This has resulted in what Wood and Frynas (2006) describe as the segmented business system.

A business system is segmented when numerous business systems exist in a particular territory which results in different roles for the government and its agencies, variations in firm characteristics, and variations in the level and form of cooperation among firms. Since these features differ within each business system, firms in each segment adapt their practices to the peculiarities of their segment of the business system, thereby resulting in marked differences in organizational practices within a country. The segments within business systems in African settings are typically characterised by differences between the formal and informal sector, differences between the public and private sector, industry variations, and differences in the size of organizations (Wood & Frynas, 2006; Wood et al., 2011). Thus, according to Wood and Horwitz (2015, p.23), the segmented business system theory "highlights uneven nature of institutional coverage and great internal variations according to firm type or sector".

In a segmented business system, there is a dichotomy in the practice of HRM between public sector and large private organizations on one hand, and small, indigenous, and mainly family owned firms that mostly operate based on informality (cf. Bischoff & Wood, 2012). Although comprehensive labour legislation exists in a segmented business system, labour legislation is not enforced across all organizations, given that some organizations operate below the radar of institutions. At the same time, the quest by some private firms to reduce labour cost may result in the adoption of informal recruitment and selection practices while the poorly developed education and vocational training systems may create the need for firms to invest in training employees (Wood & Horwitz, 2015). However, while formal workplace based training may be low across organizations, there is a

widespread adoption of informal workplace based training systems to compensate for the lack of investment in formal training. Moreover, the paternalistic and authoritarian nature of workplaces in African contexts indicates the existence of low employee voice mechanisms such as communication and employee consultation. Nevertheless, the absence of formal employee voice mechanisms is often supplemented with extended workplace meetings where employees and managers connect with each other (Bischoff & Wood, 2012).

The extant literature on HRM in Nigeria suggests that like many African contexts, the practice of HRM in Nigeria reverberates with the segmented business system, given the weak institutional environment of Nigeria which is characterised by corruption and the poor enforcement of laws, including labour legislation (Adegbite, 2012; Akanle & Adesina, 2015; Ikyanyon et al., 2020). The main sources of labour legislation in Nigeria are the constitution and the Labour Act (Cap L1 LFN 2004) and other sundry laws enacted by the legislature relating to employment. These laws seek to regulate the relationship between employers and employees in order to promote industrial harmony and to protect workers' welfare. Based on the provisions of labour laws in Nigeria, it is mandatory for employers to provide statutory benefits such as paid overtime, breaks during workday, paid sick leave, severance package in case of a redundancy, health insurance, among others (Ogwuche, 2018). Nevertheless, as it is typical of a segmented business system, these laws may not be enforced across all organizations, particularly in private sector organizations that seek to reduce labour cost, as well as in small organizations that are bound to operate below the radar of institutional agencies. However, because public sector organizations are more visible to institutional agencies and are subjected to public scrutiny, labour legislation is more likely to be enforced in these types of organizations.

Organizational surveys conducted in Nigeria on the presence of HRM practices indicate the existence of formal HR practices that could be found in liberal markets such as the UK and USA (Okpara & Wynn, 2008). However, some organizations may adopt informal practices that are deeply rooted in cultural values, while others may combine both formal and informal practices, resulting in hybridized practices (Azolukwam & Perkins, 2009). For example, advertisement has been identified as the most common technique of recruitment in Nigerian organizations, with interviews being the most preferred selection method (Okpara & Wynn, 2008). Nevertheless, there is also a tendency for some organizations to rely on informal networks that are based on family, personal, or religious ties as a source of recruitment, with selection done in such instances without interviews (Ovadge & Ankomah, 2001; Azolukwam & Perkins, 2009). The use of these informal techniques may be more prevalent in small private sector organizations that lack the resources to conduct a rigorous recruitment and selection exercise. In the public sector however, given the provisions of the federal character principle that require the selection of candidates into government agencies to reflect the ethnic diversity of the country (Mustapha, 2009), it is expected that formal techniques of recruitment and selection will be adopted in order to access candidates across the country.

As a result of the weak educational system in Nigeria, training has been recognised as perhaps the most important HR practice in Nigerian organizations (Ovadge & Ankomah, 2001). Thus, to remain competitive, organizations in Nigeria must invest in updating the basic skills employees could not acquire through the formal educational system. Nevertheless, due to the cost associated with training, organizations may be reluctant to invest in employee training, which accounts for the low provision of formal workplace based training in Nigerian organizations (Anakwe, 2002). In the absence of formal workplace training however, informal training methods may be adopted to enable employees acquire the desired skills. Again, the extensive use of informal training will most likely occur in the private sector, particularly in small firms, due to the need to save labour cost. The reverse would be the case in public sector organizations since these types of organizations do not pursue profit-oriented cost saving initiatives. Moreover, public sector reforms in Nigeria have brought to the fore the need for government agencies to make substantial investment in staff training.

As with many other African contexts, there is low level of employee involvement in Nigerian workplaces given the prominence of authoritarianism, paternalism, and deference to authority in many organizations (Ikyanyon et al., 2020). This means that employees have limited opportunities to participate in workplace decisions. Communication in many organizations usually takes the form of top-down information sharing, albeit with limited use of formal techniques of information sharing, especially in small organizations. Nevertheless, the cultural values of communitarianism entails that managers and workers may have avenues to share information through informal channels. Moreover, given the weak nature of trade unions, or in most cases their complete absence in small organizations and in the private sector particularly, employee consultation is low in these types of organizations (Adewumi, 2012). In contrast, the relative strength of trade unions in the public sector suggests that there is more room for employee consultation in the public sector than in the private sector (Ikyanyon et al., 2020).

Taking together the arguments of the segmented business system theory and the literature on HRM in Nigeria, it is hypothesized thus:

H1: There is weak enforcement of labour legislation in Nigeria, with this being more pronounced in small than in large organizations, as well as in the private sector than in the public sector.

H2: The use of informal techniques of recruitment and selection will be higher in small organizations than in large organizations, as well as in the private sector than in the public sector.

H3: Training is mostly informal across organizations. While there is limited provision of formal training, this will more likely be encountered in large organizations, as well as in the public sector.

H4a: Information sharing mechanisms are weak, however, there is extensive use of informal mechanisms of information sharing.

H4b: There is low use of employee consultation mechanisms. However, large organizations as well as public sector organizations are more likely to make use of formal employee consultation mechanisms.

Method

Sample and Data Collection

The sample for this study is comprised of public and private sector organizations located in 5 cities in the Northern region of Nigeria (Abuja, Gusau, Jos, Kano, and Makurdi) and 6 cities in the Southern region of Nigeria (Abeokuta, Asaba, Enugu, Lagos, Owerri, and Port Harcourt). The sample was limited to organizations with at least 50 employees since it was expected these organizations will have formal HR practices. We concentrated on key industries in Nigeria such as banking, hotels, education, transport, health, ICT/media, manufacturing, and government ministries, departments, and agencies (MDAs). Private sector organizations in the study were limited to indigenous firms while public sector organizations were only those owned by the federal government. A national directory of organizations containing the telephone numbers of public and private sector organizations in Nigeria was used to invite organizations that met our established criteria to participate in the research. Out of 344 organizations invited to participate in the study, 228 accepted, representing an acceptance rate of 66.3%. Data collection was done using self-completion questionnaires that were administered to participants in their workplaces. Research assistants were recruited and trained to assist in data collection. The HR manager in each organization completed the questionnaire.

Table 1. Extent of labour legislation, across whole sample, industry and sector

Variable measuring labour legislation	Category	Whole Sample	Industry								Sector	
			Banking/ Financial Services	Education	Health	Manufacturing	Hotels	Govt. MDAs	ICT/ Media	Tport	Private	Public
Is overtime paid in your organization? ^a	"Yes"	61.4%	26.7%	75.0%	83.3%	54.5%	50.0%	95.8%	57.1%	25.0%	37.3%	95.7%
Is severance package available in your organization? ^b	"Yes"	57.4%	80.0%	50.0%	64.3%	36.4%	36.4%	82.6%	71.4%	27.3%	38.2%	85.1%
Are breaks during work day available in your organization? ^c	"Yes"	79.8%	84.6%	91.7%	92.9%	71.4%	66.7%	81.8%	71.4%	66.7%	73.7%	87.2%
Is paid holiday available in your organization? ^d	"Yes"	69.3%	80.0%	75.0%	75.0%	54.5%	50.0%	87.5%	71.4%	50.0%	53.7%	91.5%
Is paid sick leave available in your organization? ^e	"Yes"	75.5%	86.7%	84.6%	84.6%	57.1%	60.0%	100%	71.4%	40.0%	60.3%	95.8%
Is health insurance available in your organization? ^f	"Yes"	69.6%	93.8%	61.5%	92.9%	45.5%	40.0%	86.4%	85.7%	45.5%	57.4%	87.2%

All %s taken use N of valid response as base (i.e. Missing data and 'Don't Know' responses are excluded). ^a114<N<122; ^b115<N<122; ^c104<N<122; ^d114<N<122; ^e111<N<122; ^f115<N<122.

Measures

The questionnaire for the study was similar to the one developed by Wood et al (2011) in their Mozambican study. The first part of the questionnaire sought information on the background variables of the participating organizations. Respondents were expected to indicate the industry, sector and size of the organization. Industry in this research was defined in terms of the activities performed by the organization such as healthcare or manufacturing while respondents were asked to indicate whether their organization was a public or private sector organization. Meanwhile, the size of organization was measured based on number of employees.

The second part of the questionnaire related to the particular HRM activities in the organization such as labour legislation, recruitment and selection, training, and employee involvement that were of interest to this study. To measure the enforcement of labour legislation, respondents were asked to indicate whether they provided statutory benefits specified in the Nigerian Labour Act of 2004 such as payment of overtime, severance package, and paid sick leave, among others. Details of the measures relating to labour legislation are provided in table 1. To measure the specific practices relating to recruitment and selection, respondents were asked to state whether any category of staff were recruited via word of mouth and if any category of staff were selected without interview (see table 2). Questions relating to training, details of which are presented in table 3 sought to find out the type of training provided such as informal training, formal training, and sponsored courses. Finally, to measure employee involvement, questions were asked about two forms of employee involvement: information sharing and employee consultation. Respondents were asked to indicate the presence or absence of information sharing techniques such as notice boards, newsletter and team briefing, as well as employee consultation techniques such as suggestion boxes and workplace surveys. The full measures of information sharing and employee consultation are provided in table 4 and table 5 respectively. Response options for each set of questions relating to HRM activities were 'Yes', 'No', and 'Don't know'.

Table 2. Extent of recruitment and selection, across whole sample, industry and sector

Variable measuring recruitment and selection	Category	Whole Sample	Industry								Sector	
			Banking/ Financial Services	Education	Health	Manufacturing	Hotels	Govt. MDAs	ICT/ Media	Tport	Private	Public
Are any categories of staff recruited by Word of Mouth? ^a	"Yes"	28.6%	14.3%	27.3%	28.6%	43.5%	50.0%	8.3%	16.7%	50.0%	44.6%	6.4%
Are any categories of staff selected without interview? ^b	"Yes"	23.5%	12.5%	23.1%	21.4%	36.4%	33.3%	9.1%	14.3%	41.7%	35.3%	6.4%

All %s taken use N of valid response as base (i.e. Missing data and 'Don't Know' responses are excluded). ^a112<N<122; ^b115<N<122

Table 3. Extent of training, across whole sample, industry and sector

Variables measuring training	Category	Whole Sample	Industry								Sector	
			Banking/ Financial Services	Education	Health	Manufacturing	Hotels	Govt. MDAs	ICT/ Media	Tport	Private	Public
Do you make use informal workplace based training? ^a	"Yes"	61.7%	46.7%	41.7%	46.2%	85.7%	80.0%	52.9%	42.9%	83.3%	76.1%	37.5%
Do you make use formal workplace based training (uncertified)? ^b	"Yes"	53.0%	64.3%	57.1%	61.5%	45.5%	36.4%	62.5%	71.4%	25.0%	48.5%	59.2%
Do you make use formal workplace based training (certified)? ^c	"Yes"	31.0%	40.0%	30.8%	57.1%	13.6%	11.1%	37.5%	42.9%	11.1%	15.6%	51.0%
Do you make use of sponsored courses with outside training body (technical)? ^d	"Yes"	57.5%	62.5%	61.5%	85.7%	42.1%	27.3%	69.6%	83.3%	27.3%	45.5%	74.5%
Do you make use of sponsored courses with outside training body (administrative)? ^e	"Yes"	38.5%	53.3%	23.1%	53.8%	17.6%	22.2%	57.9%	66.7%	16.7%	23.0%	60.5%
Do you make use of sponsored courses with outside training body (managerial)? ^f	"Yes"	39.0%	50.0%	30.8%	46.2%	23.5%	22.2%	61.1%	50.0%	25.0%	23.7%	61.0%

All %s taken use N of valid response as base (i.e. Missing data and 'Don't Know' responses are excluded). ^a107<N<122; ^b117<N<122; ^c113<N<122; ^d116<N<122; ^e113<N<122; ^f117<N<122.

Data Analysis

The two-stage analysis procedure used by Wood et al (2011) in their Mozambican study was adopted for this research. This involved the use of descriptive statistics to examine the measures relating to each hypothesis, across the whole sample, industry, and sector, after which logistic regression analysis was used to analyse the effect of size, industry, and sector on one or more key measures relating to each hypothesis. Logistic regression was deemed appropriate as a tool of analysis since it is used for testing the differences between two or more groups when the dependent variable is a binary variable (Dawson, 2016).

Table 4. Extent of information sharing, across whole sample, industry and sector

Variables measuring information sharing	Category	Whole Sample	Industry								Sector	
			Banking/ Financial Services	Education	Health	Manufacturing	Hotels	Govt. MDAs	ICT/ Media	Tport	Private	Public
Does your organization make use notice boards? ^a	"Yes"	61.1%	75.0%	76.9%	58.3%	56.5%	60.0%	52.2%	66.7%	50.0%	63.1%	58.3%
Does your organization use team briefing / cascade briefings? ^b	"Yes"	32.1%	37.5%	38.5%	38.5%	18.2%	20.0%	57.1%	20.0%	8.3%	20.9%	48.9%
Does your organization use shop steward/ representative briefings? ^c	"Yes"	45.3%	20.0%	61.5%	53.8%	31.8%	9.1%	84.0%	57.1%	18.2%	14.7%	87.8%
Does your organization use organization newsletter? ^d	"Yes"	45.1%	78.6%	21.4%	50.0%	59.1%	27.3%	30.0%	66.7%	33.3%	49.3%	38.6%
Does your organization use other systems of information sharing? ^e	"Yes"	76.1%	73.3%	71.4%	84.6%	80.0%	77.8%	66.7%	85.7%	81.8%	84.4%	65.3%

All %s taken use N of valid response as base (i.e. Missing data and 'Don't Know' responses are excluded). ^a109<N<122; ^b118<N<122; ^c114<N<122; ^d118<N<122; ^e115<N<122

Table 5. Extent of employee consultation, across whole sample, industry and sector

Variables measuring employee consultation	Category	Whole Sample	Industry								Sector	
			Banking/ Financial Services	Education	Health	Manufacturing	Hotels	Govt. MDAs	ICT/ Media	Tport	Private	Public
Do you make use of suggestion boxes? ^a	"Yes"	29.7%	25.0%	16.7%	53.8%	26.3%	20.0%	50.0%	28.6%	0.0%	14.3%	50.0%
Do you make use workplace surveys? ^b	"Yes"	8.7%	12.5%	0.0%	8.3%	10.0%	9.1%	12.0%	14.3%	0.0%	9.4%	7.8%
Do you make use briefings where feedback is solicited? ^c	"Yes"	30.1%	33.3%	30.8%	50.0%	17.4%	10.0%	41.7%	40.0%	11.1%	13.6%	53.2%
Do you make use of other systems of employee consultation? ^d	"Yes"	78.6%	75.0%	78.6%	76.9%	81.0%	81.8%	73.9%	85.7%	83.3%	81.2%	75.0%

All %s taken use N of valid response as base (i.e. Missing data and 'Don't Know' responses are excluded). ^a112<N<122; ^b116<N<122; ^c115<N<122; ^d116<N<122

Results

Out of the 228 questionnaires administered to HR managers, 126 questionnaires were completed and returned, representing 55.3% response rate. Given the average response rate for organizational level surveys in previous studies (Baruch & Holtom, 2008), and considering the research context, the response rate in this study is considered very satisfactory. In the course of collating the responses however, it was discovered that 4 respondents failed to indicate their sector and were excluded from the analysis since sector is one of the main variables in the research. Therefore, data analysis for this research was based on 122 valid responses. The characteristics of the sample indicate that 13.1% of organizations were from banking/financial services industry, 11.5% from education, 11.5% from health, 18.9% were from the manufacturing industry, while 9.0% hotels. A further 20.5% of the organizations were government MDAs, 5.7% were from ICT/media and 9.8% from transportation. In terms of sector, 58.2% of the organizations were from the private sector while 41.8% were public sector organizations. As for size which was measured in terms of the number of employees, 31% of the surveyed organizations had 50-99 employees, 35.2% had 100-249 employees, and 18.0% had 250-500 employees, while 15.6% had above employees.

To test the first hypothesis which relates to enforcement of labour legislation, we examined items relating to the presence or absence of paid overtime, severance package, breaks during workday, paid holiday, paid sick leave, and health insurance. Descriptive analysis presented in table 1 indicates that the enforcement of labour legislation across the whole sample ranged from 57.4% for the presence of severance package to 79.8% for availability of breaks during workday. This however varied across industry and sector such that government MDAs (95.8%) were more likely to provide overtime payment while this was lower for transportation (25.0%). As for sector, overtime payment was 37.3% for private sector and 95.7% for public sector organizations. Severance package was more likely to be available in government MDAs (82.6%) and less likely to be available in transport (27.3%) and hotels (36.4%). Again, the private sector ranked low for severance package (38.2%) compared to the public sector (85.1%). The provision of paid holiday was more likely in government MDAs and less likely in hotels. Again, the public sector ranked higher (91.5%) compared to the private sector (53.7%). Variations according to industry and sector were also found in the provision of paid sick leave and health insurance. In all, these statutory benefits were more likely to be found in the public sector than in the private sector.

Table 6. Predicting the extent of labour legislation from industry, sector and size

Predictor Variables	^a Dependent variable: Is overtime Paid in your organization?			^b Dependent variable: Is severance package provided in your organization?			^c Dependent variable: Are breaks during workday available in your organization?		
	B	EXP(B)	Pseudo R ²	B	EXP(B)	Pseudo R ²	B	EXP(B)	Pseudo R ²
Industry (reference category manufacturing)									
Banking/Finance	5.862*	351.544		-1.054	0.384		-0.429	0.651	
Education	2.185	8.890		20.270	>1000		-0.713	0.490	
Health	0.237	1.268		0.158	1.172		-1.224	0.294	
Hotels	-0.523	0.593		-0.527	0.590		0.145	0.156	
Govt. MDAs	2.934	18.807		19.498	>1000		0.475	1.609	
ICT/Media	3.793*	44.394		0.632	1.881		0.529	1.697	
Transport	1.201	3.324		0.267	1.305		0.157	1.170	
Sector: Public (vs Private)	5.389*	219.013		21.351	>1000		1.003	2.726	
Size (No. of employees)	-1.899*	0.150		-0.089	0.408		-0.120	0.887	
Overall Model Fit			0.519			0.378			0.067
Predictor Variables	^d Dependent variable: Is paid holiday available in your organization?			^e Dependent variable: Is paid sick leave available in your organization?			^f Dependent variable: Is health insurance available in your organization?		
	B	EXP(B)	Pseudo R ²	B	EXP(B)	Pseudo R ²	B	EXP(B)	Pseudo R ²
Industry (reference category manufacturing)									
Banking/Finance	-0.423	0.655		-1.101	0.332		-3.359*	0.035	
Education	1.172	3.228		-0.553	0.575		0.289	1.335	
Health	0.637	1.891		-0.918	0.399		-3.018*	0.049	
Hotels	-0.188	0.828		-1.191	0.304		-0.992	0.371	

Govt. MDAs	2.019	7.534	-19.423	0.000	-0.369	0.692
ICT/Media	0.909	2.483	-0.211	0.810	-2.587	0.075
Transport	-0.118	0.888	-0.057	0.945	-1.567	0.209
Sector: Public (vs Private)	3.419*	30.547	1.106*	3.021	0.659	1.932
Size (No. of employees)	-0.825*	0.438	-2.139*	0.118	-2.615*	0.073
<i>Overall Model Fit</i>			0.267		0.406	0.424

^a N=114; ^b N=115; ^c N=104; ^d N=114; ^e N=111; ^f N=115; *p<0.05.

Logistic regression analyses were employed to examine the effect of industry, sector and size of the organization on the enforcement of labour legislation. Results presented in table 6 indicate that the odds of providing overtime payment were around 351 times higher in banking/financial services than in manufacturing (EXP (B) = 351.544), and also 44 times higher in ICT/media than in manufacturing (EXP (B) = 44.394). In terms of sector, the odds of providing overtime payment were 219 times higher in the public sector than in the private sector (EXP (B) = 219.013); this was also higher in large organizations than in small organizations (EXP (B) = 0.150). Moreover, the odds of paid holiday to be provided were around 30 times higher in the public sector (EXP (B) = 30.547) than in the private sector; as well as more likely to be provided in large organizations. Paid sick leave was more likely to be provided in large organizations than in small organizations (EXP (B) = 0.118), as was health insurance (EXP (B) = 0.073).

Our second hypothesis relates to the use of informal recruitment and selection. Descriptive statistics presented in table 2 indicate that 28.6% of the organizations indicate that they recruited via word of mouth while 23.5% stated that they selected without interview. This is impressive as it indicates that formal methods of recruitment and selection were mostly used. However, the use of informal recruitment and selection varied across industry and sector such that staff were more likely to be recruited via word of mouth in hotels (50.0%), transport (50.0%) and manufacturing industry (43.5%) while this was less likely in government MDAs (8.3%) and banking/financial services (14.3%). Recruitment via word of mouth was more likely in the private sector (44.6%) than in the public sector (6.4%). Meanwhile, selection without interview was more likely to take place in transport industry (41.7%), manufacturing (36.4%) and in hotels (33.3%) while this was less likely in government MDAs (9.1%) and banking/financial services (12.5%); this was also less likely in the public sector (6.4%) than in the private sector (35.3%).

Table 7. Predicting the extent of recruitment and selection from industry, sector and size

Predictor variables	^a Dependent variable: Are any categories of staff recruited by Word of Mouth?			^b Dependent variable: Are any categories of staff selected without interview?		
	B	EXP(B)	Pseudo R ²	B	EXP(B)	Pseudo R ²
Industry (reference category manufacturing)						
Banking/Finance	-0.707	0.493		0.837	2.309	
Education	-19.326	0.000		-1.541	0.214	
Health	-0.662	0.516		-1.169	0.311	
Hotels	0.547	1.728		1.106	3.024	
Govt. MDAs	-18.980	0.000		-1.408	0.245	
ICT/Media	0.275	1.316		0.363	1.437	
Transport	0.628	1.873		1.204	3.332	
Sector: Public (vs Private)	-20.721	0.000		-2.542	0.079	
Size (No. of employees)	2.304*	10.011		3.805*	44.935	
<i>Overall Model Fit</i>			0.426			0.432

^a N=112; ^b N=115; *p<0.05

Results of logistic regression presented in table 7 indicate that the odds of recruiting any categories of staff via word of mouth were 10 times higher in small organizations (EXP (B) = 10.011) than in large organizations. Similarly, the odds of selecting any categories of staff without interview were almost 45 times higher in small organizations (EXP (B) = 44.935) than in large organizations. The variations for industry and sector were not significant.

Hypothesis 3 seeks to examine the extent of training, based on industry, sector and size of the organization. Descriptive analysis presented in table 3 shows that the provision of training across organizations was generally low and it mostly informal workplace based training (61.7%) was provided across organizations. Nonetheless, whilst certified formal training was low (31%) compared to the uncertified variety, this form of training was more likely to be provided by organizations in

the health industry (57.1%). This is unsurprising given the heavy reliance on highly educated, highly skilled and highly professionalized employee groups such as doctors and pharmacists in the health industry. This type of training was also more likely to be provided in the public sector than in the private sector. A reasonable number of organizations indicated they used external training and expectedly, this was mostly for technical staff (57.5%) but again, this was more likely to happen in the health industry (85.7%), as well as in the public sector (74.5%).

Table 8: Predicting the extent of training from industry, sector and size

Predictor variables	^a Dependent variable: Do you make use informal workplace based training?			^b Dependent variable: Do you make use formal workplace based training (certified)?		
	B	EXP(B)	Pseudo R ²	B	EXP(B)	Pseudo R ²
Industry (reference category manufacturing)						
Banking/Finance	0.828	2.289		0.871	2.389	
Education	1.768	5.859		0.802	2.229	
Health	1.320	3.742		-0.948	0.387	
Hotels	1.282	3.606		-0.863	0.422	
Govt. MDAs	0.806	2.239		1.295	3.650	
ICT/Media	1.969	7.160		-0.403	0.669	
Transport	0.466	1.594		0.019	1.019	
Sector: Public (vs Private)	-0.836	0.089		2.094*	8.116	
Size (No. of employees)	1.109*	3.030		-1.559*	0.210	
Overall Model Fit			0.318			0.367

^aN=107; ^bN=113; *p<0.05

Logistic regression analyses were used to predict the extent of training from industry, sector and size of the organization, using two variables: the use informal workplace based training and the use of certified formal workplace based training. Results presented in table 8 indicate that the provision of informal workplace based training was more likely in small organizations than in large organizations (EXP (B) = 3.030). In contrast, the odds of providing formal workplace based training were higher in large organizations (EXP (B) = 0.210) than in small organizations. As for sector, we found that the odds of providing formal workplace based training (certified) were around 8 times higher in the public sector (EXP (B) = 8.116) than in the private sector.

Hypotheses 4a and 4b relate to the presence or absence of employee involvement mechanisms in terms of information sharing and employee consultation respectively. Descriptive analysis on information sharing presented in table 4 indicate that the use of downward information sharing techniques such as notice boards, team briefings, shop steward/representative briefing, and organizational newsletter were used across organizations. Specifically, 61.1% of organizations indicated they used notice boards, with this more likely to be used in education industry (76.9%) and less likely to be used in the transport industry (50.0%). The use of team briefing was at 32.1%; shop steward/representative briefing was at 45.3% while 45.1% of organizations indicated they used organizational newsletter as a technique of information sharing. The use of 'other' information sharing systems was however more prevalent at 76.1% and content analysis of responses in this category indicate that the most common method of information sharing was through staff meetings.

Table 9: Predicting the extent of information sharing from industry, sector and size

Predictor variables	^a Dependent variable: Does your organization use notice boards?			^b Dependent variable: Does your organization use team briefing/cascade briefing?		
	B	EXP(B)	Pseudo R ²	B	EXP(B)	Pseudo R ²
Industry (reference category manufacturing)						
Banking/Finance	-1.038	0.354		0.263	1.301	
Education	-1.760	0.172		-1.657	0.191	
Health	-0.514	0.598		-0.684	0.505	
Hotels	-0.177	0.838		-1.186	0.306	
Govt. MDAs	-0.745	0.475		-2.377*	0.093	
ICT/Media	-1.093	0.335		-0.189	0.828	
Transport	0.248	1.282		1.234	3.436	
Sector: Public (vs Private)	-0.953	0.386		-0.659	0.517	
Size (No. of employees)	-0.067	0.935		-1.410*	0.244	
Overall Model Fit			0.051			0.300

Predictor variables	^c Dependent variable: Does your organization make use of shop steward/representative briefing?			^d Dependent variable: Does your organization make use of organizational newsletter?		
	B	EXP(B)	Pseudo R ²	B	EXP(B)	Pseudo R ²
Industry (reference category manufacturing)						
Banking/Finance	21.457	>1000		0.332	1.394	
Education	39.522	1.459E+17		1.016	2.763	
Health	20.634	>1000		1.237	3.445	
Hotels	1.005	2.731		0.723	2.060	
Govt. MDAs	39.349	1.228E+17		0.904	2.469	
ICT/Media	20.221	>1000		-1.956	0.141	
Transport	0.731	2.078		0.364	1.439	
Sector: Public (vs Private)	41.593	1.158E+18		-2.366*	0.094	
Size (No. of employees)	-0.951*	0.386		-2.296*	0.101	
<i>Overall Model Fit</i>			0.548			0.416

^aN=109; ^bN=118; ^cN=114; ^dN=118; *p<0.05

Results of logistic regression predicting the extent of information sharing from industry, sector and size of the organization presented in table 9 indicate that the use of team briefing/cascade briefing was higher in the manufacturing industry (EXP (B) = 0.093) than in hotels, as well as in large organizations (EXP (B) = 0.244) than in small organizations. The odds of making use of shop steward/representative briefing as well as organizational newsletter were also higher in large organizations than in small organizations.

The descriptive statistics relating to employee consultation presented in table 5 indicates that the use formal systems of employee consultation such as suggestion boxes (29.7%), workplace surveys (8.7%) and briefings where feedback is solicited (30.1%) were generally low across organizations. This however varied across industries and sector such that suggestion boxes were more likely used in the health industry (53.8%) and less likely in transport industry (0.0%). It was the question on whether organizations made use other systems of employee consultation that received the highest positive response (78.6%). Again, content analysis of the specific systems used suggest that many organizations used what they described as 'open door policy' in which they claimed allowed employees unfettered access to managers to express their viewpoints on any issues, as well as staff meetings through which employees could make contributions on workplace issues.

Table 10. Predicting the extent of employee consultation from industry, sector and size

Predictor Variables	^a Dependent variable: Does your organization make use of suggestion boxes?			^b Dependent variable: Does your organization make use of workplace surveys?			^c Dependent variable: Does your organization make use of briefings where feedback is solicited?		
	B	EXP(B)	Pseudo R ²	B	EXP(B)	Pseudo R ²	B	EXP(B)	Pseudo R ²
Industry (reference category manufacturing)									
Banking/Finance	4.078*	59.018		1.486	4.418		1.733	5.659	
Education	4.458*	86.296		15.485	>1000		1.752	5.765	
Health	1.591	4.908		-0.710	0.492		0.423	1.527	
Hotels	-0.327	0.721		-3.120	0.044		-0.468	0.627	
Govt. MDAs	2.908*	18.312		-3.006	0.050		2.023	7.564	
ICT/Media	2.416	11.206		-1.619	0.198		-0.031	0.969	
Transport	21.685	>1000		19.971	>1000		0.142	1.153	
Sector: Public (vs Private)	3.010*	20.283		-2.960	0.052		2.931*	18.749	
Size (No. of employees)	-1.762*	0.172		-2.669*	0.069		-1.516	0.219	
<i>Overall Model Fit</i>			0.397			0.228			0.377

^aN=112; ^bN=116; ^cN=115; *p<0.05

To predict the extent of employee consultation from industry, sector and size of the organization, logistic regression analyses were used to examine the use of suggestion boxes, workplace surveys, and briefings where feedback is solicited. Results presented in table 10 indicate that the odds of using suggestion boxes were 59 times higher in banking/financial services industry (EXP (B) = 59.018) than in the manufacturing industry. This was also around 18 times higher in government MDAs (EXP (B) = 18.312) than in the

manufacturing industry; as well as 20 times higher in the public sector (EXP (B) = 20.283) than in the private sector. Moreover, the odds of making use briefings where feedback is solicited were around 18 times higher in the public sector (EXP (B) = 18.749) than in the private sector. Meanwhile, the odds of making use of suggestion boxes, workplace surveys, and briefings where feedback is solicited were higher in large organizations than in small organizations.

DISCUSSION, CONCLUSION AND RECOMMENDATIONS

The main objective of this research is to examine whether the nature of HRM in Nigeria fits the profile of a segmented business system. A key feature of a segmented business system is the existence of comprehensive legislations, but with poor enforcement. Our analysis of labour legislation in Nigeria suggests that while there is comprehensive legislation relating to employee welfare in place, there was generally poor enforcement of labour legislation. Labour legislation was more likely to be enforced in the public sector due to the exposure of these organizations to regulatory agencies, while there was weak enforcement in the private sector. The latter reflects the cost-cutting measures adopted by some private firms in Nigeria to cope with competition (Ikyanyon et al., 2020). At the same time, there was weak enforcement of labour legislation in small organizations than in large organizations. This is due to the tendency of many small firms in Nigeria and indeed the wider African context to operate based on informality, which has spurred the growth of the informal sector (Okpara & Wynn, 2008; Dibben et al., 2015). Moreover, our findings suggest that small organizations were more inclined to adopt informal recruitment and selection techniques. Whilst the use of these informal techniques may enable employers hire based on trust, they preclude the hiring of more qualified candidates (Mellahi & Wood, 2003). Nevertheless, the adoption of informal recruitment and selection were encountered in a minority of organizations, which gives credence to previous research in Nigeria suggesting the prevalent use of formal recruitment and selection techniques such as advertisement and interviews (Okpara & Wynn, 2008; Azolukwam & Perkins, 2009).

Consistent with the arguments of the segmented business system theory, we found the widespread use informal training techniques across organizations; with this more likely to be found in small organizations than in large organizations. A considerable number of organizations, particularly large organizations, as well as those in the public sector however made use of formal workplace training, which highlights the willingness of employers to provide training due the weak educational system in Nigeria (Ovadge & Ankomah, 2001; Anakwe, 2002). Further, findings indicate a weak system of employee involvement, which reflects the level of authoritarianism and paternalism encountered in many African work contexts. Nevertheless, as expected, employee involvement schemes were mostly adopted in large organizations. Interestingly, the use of employee consultation was more popular in the public sector than in the private sector. Given the higher influence of trade unions in the public sector in Nigeria (*see* Ikyanyon et al., 2020), the higher presence of employee consultation schemes in the public sector suggests that forms of employee involvement that seek to promote partnership between employees and the organization are more likely to be encountered in contexts where trade unions exist (*cf.* Brewster et al., 2014).

The findings from this research imply that there is a diversity of HRM practices implemented in Nigerian organizations which can be segmented along the lines of sector and size of organizations. Whereas there is heavy reliance on informal practices especially among small organizations, the evidence suggests that some organizations implement formal HR

techniques that could be likened to 'best practice' HR practices. This diversity exists as a result of the weak institutional environment of Nigeria that is manifested by poor enforcement of labour legislation, as well as the tendency of some private sector organizations to reduce labour cost as a strategy to cope with competition. Thus, in order to improve the development of HRM in Nigeria, it is recommended that institutions must be strengthened in order to enforce compliance with labour legislation across all types of organizations. Finally, HR managers should invest in their human resources as doing so will lead to improved organizational performance.

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