HUMAN RESOURCES MANAGEMENT IN ORGANISATIONS A CASE STUDY OF KADUNA REFINERY & PETROCHEMICALS LIMITED (KRPC)

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BEING A PROJECT SUBMITTED TO THE POSTGRADUATE SCHOOL . OF AHMADU BELLO UNIVERSITY, ZARIA IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF THE, DEGREE OF MASTERS OF BUSINESS ADMINISTRATION (MBA)

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DEDICATION

This project is dedicated specially to my Brothers, Dan, Kome and Kpezi Ororo and all my loved ones.

CERTIFICATION

This is to certify that this project "Human Resources Management in Organisation", A case study of Kaduna Refinery and Petrochemicals Limited (KRPC). Written by ORORO, Orowo Kate, meets the regulations governing the award of the degree of Master of Business Administration (MBA) of Ahmadu Bello University, Zaria, and it is therefore approved for it's contribution to knowledge, and literary presentation.

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DECLARATION

I hereby declare that this project for the Award of Masters of Business Administration Degree of Ahmadu Bello University, Zaria, is the product of my research work.

All sources of information collected for the write – up are acknowledged by means of references and should not be held responsible for any error of omission or commission in this project.

Kate O. Ororo

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I want to thank God Almighty for seeing me through this course.

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ABSTRACT

This work is an attempt to investigate and bring to light the Human Resources Management Practice of the Kaduna Refinery and Petrochemicals Company Limited (KRPC).

The interest of the researcher in this particular topic was aroused from the observation that staffers of this organisation (KRPC) hardly embark on strikes. They go about their normal duties daily, weekly, monthly and year after year with very few strikes recorded unlike other Federal Government Workers.

With a total work force of about Two Thousand Two hundred and Forty (2,240) workers. KRCP cannot be said to be a small organisation but the number of the staffers manning the Human Resources Department can be said to be relatively small with less than twenty (20) staffers yet their performance is high as they achieve their ultimate goals.

interviews were equally randomly conducted on few employees at sight. The few recommendations put forward in chapter five are objectively aimed at perfecting the policies and practice of personnel operations to make it more vibrant efficient, effective and more dynamic. However they are not exhaustive.

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CHAPTER ONE

1.0 INTRODUCTION

The management of people at work is an integral part of the management process. It is really the heart of management. To understand the critical importance of people in organisations is to recognise that human element and the organisation are synonymous. Most often an organisation's failure is that of people's failure, because it is people who employ, promote, organise, lead, mobilize and decide which products and quality of service are to be delivered.

In discussing Human Resources in any culture or environment, certain classic axioms are usually encountered. Some of these statements are as follows:-

- "Human Resources are the major wealth of any Nation".
- "People are the greatest assets of any organsation".
- "We live in a people's world".
- "People are the backbone of any organisation.

The environment has a role to play in influencing the development of the human resources stock of any Nation. The leadership, the social economic and political environment i.e. the enabling environment together help to shape the growth, development and utilization of the Human Resources of the Nation's organisations.

An organisation exists because the society considers it desirable in the provision of goods and services and for an organisation to achieve it's goal and objectives, it should be managed effectively and efficiently with the available resources.

Managing is one of the most important human activities that permeate all organisations. Whenever people work together for the attainment of predetermined objectives, management, is charged with the responsibility of ensuring that, the aims and objectives of the manager's responsibility is to ensure that every member of the organisation contribute his best.

The growing significance of organisation in our modern society has emerged due to the charges in the socio-economic needs of the society, these include improvement in the living standard, provision of employment for the members of the society and provision of social amenities to the generality of society. The provision of these socio-economic needs involves considerable amount of important resources, which include human and materials, technical skills, capital and markets, thus, there is the need for adequate personnel planning, organising, directing, coordinating, supervising, and controlling in order to achieve organisational goals and objectives.

Human Resources Management is one of the most complex fields of management, this is because the orgnisation's responsibility is not only to ensure an effective work force, but also to satisfy the expectations of both employee and the society in general. A Human Resources Manager deals with issues and problems that after all do not have tangible solutions. The major role of the manager is to procure and maintain a work force that would be instrumental to the organisational productivity

by selecting, recruiting the appropriate personnel and placing them in the right places in order to accomplish the organisations' goals.

Human Resources consist of all individuals regardless of the roles they are engaged in, in any of the organisations' activities.

The management of Human Resources hangs on two extremes, with the workers at one extreme rendering their best services for the organisation and the organisation at the other extreme satisfying the aspirations of the workers. Human Resources management attempts to reconcile these two ends into am amicable, workable compromise acceptable to both the organisation and the workers.

1.1 OBJECTIVE OF THE STUDY

Human Resource Management consists of people oriented activities, which are directed at putting people's effort to productive use through proper acquisition, utilization and maintenance.

An organisation whether large or small needs personnel who will carry out the day to day operations of the organisation. The increased complexity of the production process due to the changes in technological development has made it necessary for the employee to possess the required working skills.

The primary purpose of this work is to identify how organisations can plan, organize, command, control and coordinate human resources properly so as to achieve its organisational goals. This is done through:-

a) A survey of personnel management practice in the organisation.

b) Comparing the actual practice in the surveyed organisation with what is in the reviewed literature of personnel management.

c) Appraising the personnel management practice of the company.

d) Making recommendation that may help the organisation to improve upon their personnel practice.

The secondary objective of the work is to help up-coming organisations to prepare for the increasing innovation in modern business and also to acquaint themselves with the possible problems they are likely to encounter as their organisations begin to grow.

This work will attempt to examine and analyze the system of responsibilities for proper personnel management with regards to employee's morale, recruitment, selection, placement, training and development, promotion, motivation in Kaduna Refinery and Petrochemicals Company Limited. Which is situated at Km 16 Kachia Road in Chikun Local Government Area of Kaduna State Capital.

This work could also give an insight in the area of personnel management to the Nigerian Businessmen, because this could help them to keep abreast with the necessary requirement in the management of personnel in such organisation.

1.2 SIGNIFICANCE OF THE STUDY

The current importance of Human Resources Management is largely due to several trends and crises in society and to the recognition that Human Resources Management can significantly influence the goals of organisation. The following are some of the trends:-

1. **Human Resources Costs:** - Today corporations realised that it pays to be concerned with how they manage their human resources e.g. organisations now know that their important assets are not just financial resources but also having the right people at the right time who can effectively manage an organisation.
2. **The Pace and Complexity of Change:** - Several ongoing changes in the cultural, educational levels in Nigeria have contributed to the importance of Human Resources Management. The current workforce is generally more knowledgeable and better informed. The country now has more diploma and degree holders entering into the labour force. Young workers appear to be particularly cynical about decisions made by supervisors and correspondingly more resistant to authority.
3. **Symptoms at the Workplace:** - Rapid social changes have been accompanied by changes in the relationship between the worker and the job.

Some of the terms used to describe what is happening in the workplace include "Alienation", Boredom" and "Job dissatisfaction". These symptoms are often associated with decreasing motivation and increasing counter productive behaviour and workers demand in the workplace.

4. Increasing national and international competition in creating the need for dramatic improvements in human productivity.

5. Increasing complexity and size of organisations has resulted in multiple layers of bureaucracy, geographical spread, particularly the emergence of multinational firms, presents new challenges in managing human resources in diverse societies where laws and prevailing social values may be quite different.

6. Greater government involvement in human resources practices such as employment security, minimum wage, legislation, industries, courts, etc. are making organisations to re-examine their Human Resources and practices.

7. Rapid improvement in technology made it necessary for modern organisation to become more capital intensive, thus requiring the services of skilled specialists in many areas, hence the organisation must do a better job of recruiting, selection, training and designing careers for it's employees.

8. The increasing strength of local and national labour union makes it necessary for organisations to live up to it's expectations in terms of fulfilling the terms of employment made with the workers.

1.3 STATEMENT OF THE PROBLEM

The problem of Human Resources Management in organisations has been abused, that is why there are so many problems in the public and private sectors.

All organisations maintain Human Resources department, and spend huge amount of money to employ, train and motivate employees.

Human Resources problems have been in existence in almost all organisations in our society. In view of this, it will consider.

1. The problems observed with practical personnel management such as manpower development and motivation techniques.
2. The conditions of human resources management, through finding ideal alternative ways for conflict resolution for the organisations.
3. The problem of how an organisation can make its employees effective, and how both management and employees can learn to sacrifice and compromise in the field of human resources management.
4. The problem of any relationship between organisational success and Human Resources Management.
5. In addition,problem of Human Resources is that, life in a typical public organisation is that of shear drudgery, a keen observation would easily notices a stiffening attention to routine matters, initiative is most often discouraged, due to an environment that, neither empowers nor enables the individual to accomplish anything.

1.4 SCOPE AND LIMITATIONS

This research work is strictly limited to the Human Resources Management in Kaduna Refinery and Petrochemicals Company Limited (KRPC).

The information used in this work is strictly from the personnel management of this organisation.

CHAPTER TWO

2.0 LITERATURE REVIEW

INTRODUCTION

The Job of the Human Resources Manager is that of working with human rather than objects. The Job of the human resources manager has become one of the most complex challenging fields of endeavour. It is complex in the sense that the personnel manager has to meet the expectations of both the employees and society, because the society lays claim to it's human resources which the firm uses.

The role of the human resources manager has changed through time, at first, the dominant role was to satisfy top management in procuring and maintaining a work force that would be instrumental to organisational productivity, satisfy employees and search for programmes to do this. Job was made more difficult with the rise of the modern union, increasing educational level of workers, increasing size of organisation, and technology, and sometimes violent demands of less privileged segment of our society.

The modern Human Resource Manager requires a broad background in such fields as psychology, sociology, philosophy, economics and management. To be able to deal with issues and problems and have an understanding of that which is not logical, he still needs the capacity to project himself into another's position without

losing perspective, he also requires a skill in predicting human and organisational behaviour.

The British Institute of Personnel Management defined Human Resources Management "as that part of the management concerned with people at work and with their interrelationships within an enterprise. It aims to bring together and develop into an effective organisation, the men and women who make up an enterprise, and having regard for wellbeing of individuals and working groups, to enable them to make their best contribution to it's success".

Human Resources Management (HRM) is seen as the function which utilizes the human resources of the organisation to achieve both the objective of the enterprise and the satisfaction and development of the employees.

While the word management was derived from a Latino word "Managare" which means to train and develop the horse against emergencies".

According to E. L. Brech (1972) management is "a social process entailing responsibilities for the effective, economic planning and regulation of the department of an enterprise, in fulfillment of a given work or task" such responsibilities involving:-

i) Judgement and decision in determining plans, and in using data to control performance and progress against plans.

ii) The guidance, integration, motivation and supervision of the personnel, composing the enterprise and carrying out it's operations.

The British Institute of Management asserts that management is the process of getting things done, through the agency of a community with a view to it's fulfilling the purpose for which it exists.

The term management ordinarily means people engaged in managing a business.

In the words of Henry Fayol (1949) "Management is the process of planning, organising, leading and controlling the effort of organisational members and of using of all other organisational resources of the organisation in an effective and efficient manner".

Another renowned management scholar sees management as the act of getting things done through other people, this definition testifies to the fact that managers are suppose to accomplish objectives and achieve results by simply arranging resources in the best possible relationship.

In addition Frederick Taylor (1947) defines management "as knowing what you want men to do and then seeing that they do it, in the best and cheapest way possible".

Furthermore, management can be seen as the effective and efficient utilisation of both human and material resources of the desired goals and objectives of an organisation.

An organisation is essentially a group of people working together in human planning and it is directed towards achieving some objectives. An organisation is a complex network of independent flows of event having to do with human planning, organising, coordination and controlling of the procurement and utilization of various human and non-human resources. Most organisations are directed towards the attainment of multiple goals. The task of organisational management is to crystallized the definition of enterprise goals, assembled resources, visualize the process, essentially to the attainment of these goals, design, direct and control the network of facilitating systems. An organisational issue will be the degree of openness and participation in the management of human resources sub-system.

FUNCTION OF HUMAN RESOURCES MANAGEMENT

The administration of personnel differs from organisation to organisation, depending on the principle and the practice of that organisation it is therefore important to note that while many firms have separate personnel departments to carry out most of the personnel functions, others do not have such in their organisational structure.

The human Resources Manager is concerned with planning, organsing, directing and controlling, procurement, development, compensation, integration, maintenance and preparation of human resources to the end that individual organisation and social objectives are accomplished.

In addition, the human resources manager is a change agent who must help in creating new approaches and hasten the achievement of organisational goals. The functions of a personnel manager is conceived to comprise of a set of interrelated and mutually reinforcing sub – functions which cumulatively influence organisational effectiveness. The sub – functioning include:-

1. Preparation of organisational context for effective utilization of human resources to achieve organisational goals. The crucial elements in the context are organisational planning and design. Job analysis, Job design and Job evaluation and human resources planning.
2. The engagement sub – function, that is recruitment, selection and placement activities.
3. Training and Development.
4. Compensation and disciplinary sub – function, i.e. wages, salaries and fringe benefits administration, promotion, transfer and dismissal.
5. Maintenance of quality work – life – the modern concern with total well – being of the organisational members both physically and psychologically.
6. Work motivation and productivity. That is, activities explicitly addressed to the issues of stimulating work effort and increasing members productivity.

7. Labour management relations, this is the sub – function concerned with maintaining harmony between management on the one hand and organised labour on the other.

8. Personnel research activities aimed at validating and evaluating personnel instruments and programmes trying out innovations and monitoring the effects of personnel functions practice on the intervening variables of members satisfaction, complaints, grievances, absenteeism and labour turn over.

Furthermore, human Resources Management could be seen as a process or as an identifiable flow of interrelated events moving towards goals or purpose. And the activities involved in the process are mainly:-

a) **Planning:**- This is forecasting into the future and planning the organisation for the unseen days ahead. Planning specifies what is to be accomplished in the future and how it is to be accomplished. The planning function includes those managerial activities which determines objectives and the appropriate means for achieving those objectives.

b) **Organising:**- This means the arrangement of men, materials and machines into the best possible relationship for the attainment of organisation's goals and objectives. It involves the selection of the right type of men, materials and machines, and the assigning of specific task to specific individuals or groups as well as the delegation of the right amount of authority to those who will be responsible for the operation of the organisation.

c) **Controlling:**- Another important function of management is controlling. This function includes all activities the manager undertakes in attempting to ensure that actual result conform to planned organisational objectives. According to H. M Carlisle (1976 p. 555) controlling is "the monitoring, evaluation and modification of organisational activities and resource utilization to ensure that predetermined standards are met and plans carried out".

Controlling serves two purposes:-

- To find out exactly what is going on in the organisation.
- To alter the operation of the system if it is not achieving the goals which management has set.

d) **Coordinating:**- This refers to maintaining proper interrelationship between various segments of the enterprises. Coordinating is needed with respect to both the horizontal and vertical dimensions of the organisation. Clarity of delegated authority and responsibility is important in achieving coordination. Vertical coordination is required to ensure that the various levels do not act out of accord with each other or with policies and objectives of the organisation. Thus, the concept of unity of effort, good timing and clear objectives apply to vertical coordination. Coordinating horizontally is a matter of relating the efforts of financial, divisional or territorial units to each other, in order to reduce duplication undesirable overlapping and consequent conflicts.

e) **Directing:**- This is the process of providing direction for people to carryout the activities of the organisation. Managers also have a duty of providing direction for all subordinates level of workers, and accepting responsibility for the work they performed. Effective directing enhances efficient and effective operations. In the absence of direction from a manager or a supervisor, workers will turn in other direction for instructions, which might be at odd with those set down by management. One of the major tasks before any manager or supervisor is that of properly guiding his subordinates in terms of what is expected of them.

f) **Staffing:**- staffing involves hiring and firing of employees. It also includes such diverse activities as human resource planning as well as the training of workers, adequate supervision and the maintenance of sound human and industrial relations. Management initially determines the number and types of personnel required to carryout company's plans. It is part of management staffing function to recruit the optimum number of workers required, as well as ensure that only the right type of personnel required for a job are selected. Another function of the human resource manager is the issue of separation and return of their employee's back to the society, haven hired, trained and used them.

g) **Motivation:** - Webster's third New International Dictionary defines motivation as the act or process of providing power from within the person, which incites him to action. The Oxford Advanced Learners Dictionary defines it as the process of stimulating the interest of somebody to do

something. Both these definitions imply that motivation involves a voluntary process originating from within the individual who is carrying out the action. There can be no motivation without a goal. The task of goal setting by management is, therefore, an all – important task because without setting clear goals, we have no right to talk of motivating the work force. Motivation is to make employees feel that they are being treated fairly, which will induce them towards co-operation and maximum production.

h) **Decision Making:**- The operation of any organisation involves making many decisions which can be made mentally and carefully as a result of systematic planning.

i) **Communication:**- This is the transmitting of instructions and information to all interested parties, employees, customers, suppliers, shareholders and the general public.

For a proper Human Resources Management each of these elements has to come into effect, and it has to be carried out objectively.

Human Resources is a basic component of any organisation, whether small or big and the society in general. To employ and obtain the full contribution of personnel, their needs and goals must be taken into consideration, and must be satisfied in order to exploit their optimum contribution towards achieving organisational goals. Therefore Human Resources Management is a very important aspect of any successful organisation.

2.2 CURRENT CHALLENGES FACING THE HUMAN RESOURCE MANAGEMENT

The successful Human Resources Manager blends together human, physical and technological resources into a unified identity. He sets goals to be accomplished, establishes action plans to carry them out, using managerial techniques and tools and coordinate the expertise of many specialist.

Some of the challenges and complexities of the personnel functions include:-

1. **Societal Goals and Changes**: - The purpose of managerial as well as operative functions of personnel is to assist in the attainment of the basic objectives of the company. Unfortunately, the society tends to impose on company's human goals, which may or may not contribute to their particular objectives. Changes in the society especially in the economy may adversely affect the fortunes of a company. But inspite of this, the workforce instigated by the union may demand increase pay and other benefits. This failure to the keep its house in order on the part of the larger society, imposes some problems for the firm, in providing what is in agreement, as adequate and equitable remuneration or fringe benefit for workers contributions to organisation's objectives. Human goals, which the society should help the workers to attain - good pay and good living are inadequately imposed on the companies.

2. **Labour Force and Latent Roles**: - In our society today a lot of changes has been witnessed in the workforce of organisations. This is as a result of the organisation workforce, being recruited from the society, in which the organisation exists. Each individual recruited into an organisation brings but

not only the particular skills, beliefs, disposition, and the like that are appropriate, but also behaviours, talent, beliefs, or attitude that are irrelevant to the technology of the organisation. The roles may remain latent for a while, but will later surface whenever members of the organisation act on behalf of the organisation. The more heterogeneous the labour force, the greater the likelihood that members will possess differentiated latent roles as well as skills.

Government regulations make the recruitment of certain labour force in our country by organisations complex. By stipulating that organisations must adopt some recruitment patters, the labour force is homogenised. This increases the possibility of latent roles becoming active in work places. This possesses problems to organisations, in that the latent roles affect productivity, efficiencies and effectiveness. The personnel unit has to retain the workforce if they have to be used effectively and profitably.

3. **Advances in Technology**: - As the society advances in technology and automation, organisations may find it necessary to retrain their staff either in classroom or through Job training e.g. computer.

4. **Union Relations**:- Workers are increasingly aware of their collective presence and power potential. This sometimes put the workforce on collision courses against management. The personnel function is sometimes over stretched if it has no capable hands to handle negotiations with the unions.

5. **Increasing Levels of Education** :- With the explosion in education in our society, business enterprises as well as other organisations have a market of

qualified labour force from which to recruit. However, business enterprises will sometimes discover that, the raw materials, which they recruit, have to be given suitable orientation, which will fit them into the organisation's purposes. This situation complicates the recruitment, screening and training of the personnel function.

For Human Resources Managers to be current, relevant and to squarely face the challenges of today, the following should be considered:-

a) **Keep Abreast of Development**: - When you keep abreast of developments in your field, you will always remain relevant. To achieve this, it is expected that the manager should read widely and also attend seminars and conferences. Managers should not be conservative but should train themselves to be receptive to new ideas. No matter how revolutionary they might appear at first. Even if these new ideas do upset some of your most cherished believes, you must be realistic to recognise improvements.

b) **Accept Responsibility for Action** :- As a Manager you must be prepared to take full responsibility for all action taken or failure to take action. Similarly, you should assume responsibility for success or failure, you should learn not to pass the buck. You should assume full responsibility for the mistakes of your subordinates. While it is easy to take credit, it is not easy to take blame, when your subordinate makes a mistake. You will therefore, need both character and courage to absorb

the blame for the mistake of others. This is however one of the occupational hazard of being a manager.

c) **Sound and Timely Decisions**: - The need to take sound and timely decisions is a great challenge to the personnel manager. A good knowledge of scientific methods of problem solving and decision making may be useful, your boss and subordinates will have confidence in you if you respond to the above positively then otherwise.

d) **Respected Against Liked**: - It is risky to go by short time popularity by taking a decision that people like. Popularity is short-lived you owe the organisation the responsibility of taking the right decision, no matter whose OX is gored.

e) **Unfavourable Business Environment**: - This has become a great challenges to personnel managers, because planning cannot be effective in a business environment characterized with uncertainty. As a result of the gloomy state of economy, many organisations were forced by circumstances beyond their control to wind – up; others are operating below capacity, while some organisations were forced to retrench.

f) **Government Policy**: - Some Government Policies in appointment and promotions greatly affects efficiency, for instance, federal character or quota system, the way it is implemented in some cases damaged the moral of other workers. When application of federal character is not done on the basis of merit, efficiency and effectiveness may be unpaired.

2.3 HUMAN RESOURCES MANAGEMENT POLICIES

Policy making is a key part of the total planning activity of any organization.

What is a policy? It is simply a statement of intended conduct, a rule of behaviour. A policy is an expression of the organizational values and beliefs concerning all the major functions of the enterprise. The policy states how the organization intends to approach the fulfillment of its overall objectives.

A typical example of personnel policies is as follows:

a. The company will conform to the spirit as well as to the letter of the law in employment matters.

b. All vacancies will be advertised within the organisation.

c. The company will always negotiate in good faith, with recognized trade union representatives.

d. Pay levels will be maintained so as to compete with the best in the industry.

e. Employees will be encouraged to participate in training, and development activities of mutual benefit to the individual and the company.

f. Every employee will have the right to fair treatment in matters of discipline.

Policies such as the above are intended to express the organization long-term view of how it intends to conduct its employee's relations. Once these rules of behaviour have been established, whether in written form or through custom and practice, it is possible to develop strategies that are consistent with them.

2.4 HUMAN RESOURCES MANAGEMENT STRATEGIES

This is a statement of long term objectives to be achieved. Strategic objectives focus on ends rather than means, and are usually set for a period of five years ahead. They are intended to provide a framework within which detailed operational plans can be made. Ideally, strategies should be measurable; but only in general terms if they are capable of being expressed in detailed terms, they are not strategic, but operational or short-term objectives.

Strategic objectives are set for all the major functions of an organisation by the senior management team. Personnel and human resources management strategies, therefore, are the product of discussion and agreement between senior managers of the organisation, and not just between the personnel specialist.

Typical examples of personnel strategies are: -

i) Ensure that the organization's human resources needs for the next five years are met, both in terms of numbers and quality of employees.

ii) Maintain wage and salary levels sufficient to recruit, retain and motivate staff at all levels in the organisation.

iii) Achieve harmonious relationship between management and those for whom they are responsible.

iv) Ensure that adequate facilities are made available for maintaining, and improving the knowledge and skills of the workforce.

v) Provide adequate communication system between management and other employees, and between departments and functions.

vi) Provide mechanism for enabling the organisation to cope with the human consequences of change.

Such strategies are stated broadly, for they are intended to express long - term aims, and these have to stand to the taste of time. However, they can be evaluated in qualitative terms.

2.5 HUMAN RESOURCE OPERATING PLAN

Given personnel strategies such as the above, the head of the personnel function can seek agreement for year-by-year operating plan, designed to realize the long-term objectives.

The plan will likely comprise of: -

a. The establishment of basic manpower/human resources plan.

b. Wage/salary administration.

c. Negotiating arrangements with employee's representative.

d. Establishment of adequate grievances and disciplinary procedures.

e. Appraisal.

f. Training plans.

g. Motivation.

I) Establishment of Basic Manpower/Human Resources Plan

People represent the most flexible resource available to the senior managers of an organization, deploying people in the right numbers, with the right skill and in the right place is fundamental to success, in assisting with the

planning of organisation's human resources requirement. Personnel specialists can play a central role.

Planning the resources of the organisation is a key responsibility of every senior manager, the most important single resource is people. It is important that sufficient numbers of appropriate calibre of people are available to the organisation in pursuit of its objective.

Human resource planning could be defined as "a strategy for the acquisition, utilization, improvement and retention of an enterprises human resources."

This definition sees human resources planning as a strategic activity, which is concerned with securing resources on a long-term basis. For our purpose, human resources planning will be taken to mean any rational and planned approach for ensuring that: -

i. The recruitment of sufficient and suitable staff should be considered.

ii. The retention of the staff in the organization.

iii. The optimum utilization of staff.

iv. The improvement of staff performance.

v. The disagreement of staff as necessary.

Human resource planning is as much; if not more, concerned with the quality of personnel, and with their development throughout the organization.

The simplest human resource planning is concerned with identifying the organization's demand for human resources, and devising means to ensure that a sufficient supply of labour is available to meet that demand.

(a) **The Human Resources Planning Process**

There are four categories of staff that are important in human resource planning. These are: -

i. Existing staff.

ii. New recruits.

iii. Potential staff.

iv. Leavers.

Each of these objectives requires different decisions to be made by the managers concerned. Some of these are: -

		Decision required about
i.	Existing staff	Performance appraisal, Productivity, Deployment, Training, Remuneration, Promotion/Carrier Development.
Ii.	New recruits	Recruits method, Selection procedures Induction, Training, Terms of contract.
Iii.	Potential staff	Recruitment methods, Public relations, Wages/Salary levels, Employees benefit.
Iv.	Leavers	Dismissals for poor performance, Retirement, Redundancy procedures, Labour turnover.

These indicate some of the far-reaching implications of human resources planning activities. This is a process, which effect every aspect of personnel/human resources management. More than this, it is a process

which is linked inextricably both to the corporate aims of the organisation, and to the economic, social and political environment. Human resources planning begins and end with a review of the organisation's cooperate objectives.

(b) **Accessing the Demand for Labour**

If a transport organisation makes a corporate decision to "go into Europe" with is services, there will be a human resource implication of various kings: -

1. What kinds of knowledge and skills will be required?
2. Should we recruit Local staff or install British managers?
3. What local specialist's services will be required?

Having known what kind of people will be required, the managers responsible have to decide the level of activity to be entered into. How many routes will be operated? How many services per route? Questions such as the above help the organisation to estimate the effective demand for labour. Some existing employees could be used in such a venture, some new recruits will also be required from the population, and some jobs could be put out to third parties, such as leasing, sub-contractors and professional advisers.

Three other questions could be raised at this stage: -

a. Should we train our staff for selected key posts?

b. Should we buy inexperienced people outside?

c. How much time is required to staff this operation?

If the organisation requires people quickly, then it is more or less obliged to recruit trained staff from other organisations, possibly at a premium wage. If the organisation is to prepare its existing staff for a new role on the continent, then the time span involved could be many months. Whilst language skills and knowledge of European operations are acquired. Nevertheless, the demand for labour of an organisation depends solely on the nature of the business to be carried out, and its magnitude.

(c) **Estimating Personnel Requirement**

Estimating the number of people required is usually undertaken in one or more of the following ways: -

i. By exercising managerial judgement.

ii. By using work study techniques.

iii. By using statistical techniques.

Bowey (1974) notes that manpower planning "is not a clearly defined practice..." To some, it is a statistical technique in which rates of wastages etc. are incorporated into a computerized model, and predictions are about required rates of recruitment".

In a typical work organisation, the single most important element in forecasting manpower requirement is managerial judgement; individual managers in the light of

(a) Their knowledge of events and

(b) Personnel in their own areas of responsibilities draw up their own estimate of manpower requirement. They do not question their own assumptions in making their judgement, that's why most organisations have one or two senior personnel involved in reviewing submission form individuals and "editing" the final document that sets out the organization's requirement.

The use of statistical techniques in manpower planning is largely a concern of research organizations and Government statisticians. However, many organizations make use of analysis of labour turnover, labour stability and similar ratios.

Organizations and methods are the name given to a range of work-study techniques applied to an office situation for the purpose of improving administrative and clerical procedures. The application of work study techniques, such as work measurement and work study can be helpful in identifying the numbers of people required to achieve certain tasks. Work measurement is basically a technique for establishing a standard time, in which a qualified worker can carry out a specified task at a defined standard of performance. Method study, by comparison, aims to establish whether a task is being performed in the most efficient and economic manner.

(d) **Assessing the Supply of Labour**

In assessing the supply of labour available to the organisation, there are two major areas to be reviewed.

1. The existing workforce.
2. The supply of potential employees.

Under each of these areas, a number of important questions need to be asked relating to key aspects of manpower requirement and utilization.

Firstly we shall examine the existing workforce. There are always people leaving and entering the organization even if the bulk of the workforce is stable.

Typical questions that managers need to ask when assessing the state of their internal labour market are as follows: -

Job categories: - What categories of staff do we have?

Numbers: - How many people do we have in each category?

Skills: - What skills are available amongst existing employees?

Performance: - What level of performance are we getting from our various categories of employees.

Answers to the above questions can provide a reliable picture of the state of the organization's own labour force. The resulting information can be matched, with the demand forecast for labour in various categories identified by the management.

II) **Wage/Salary Administration**

One of the most difficult functions of personnel management is that of determining the rate of monetary compensation. The single most important obligation owed by an employer to an employee is to pay him wages. The fulfillment of this duty involves most employers in the biggest expenses of their business. Typically, wages, salaries and related cost (pension) etc. make up about 60% of the total cost of running a major business. Employers therefore have more than a passing interest in this aspect of their operations.

a. **Policy for Pay**: There're three principal purposes for payment policy in an organisation.

   i. To attract sufficient and suitable employees,

   ii. To retain employees who are satisfactory.

   iii. To reward employees for effort, loyalty, experience and achievement.

These purposes have to be achieved within an agreed budget for wages, salaries and related payments. There are considerable variations in what organisations have to pay to ensure that they do attract, retain and motivate sufficient staff. The two most significant functions are: -

1. The state of the labour market, and
2. The nature of their operations.

For example, organizations operating in a competitive labour market find that they have to pay a higher price for labour than those operating in a market characterized by a labour surplus i.e. high unemployment. The nature of the organization determines its requirement for particular categories of employees. Hence, organizations requiring relatively unskilled employees are usually able to pay lower wages, than those whose operations require skilled or professional grade of employees.

In practice, wages and salaries will be paid for one or more of the following reasons: -

i. To fulfill legal obligations – the "minimum" reason.

ii. To obtain a sufficient share of the relevant labour markets – the "competitive" reason.

iii. To provide a fair reward to those performing specified roles – the "equitable" reason.

iv. To provide an incentive to the employees – the "motivational" reason.

v. To keep pace with inflation – the "cots of living" reason.

Once a staff has been recruited, the employer needs to ensure, that there are appropriate differential, and other rewards aimed at achieving fairness in pay, in relation to effort, responsibility and other factors. In addition to questions of fairness, many organizations find

that monetary incentives are needed in order to encourage employees to put in extra effort.

Finally, all employers are faced with protecting their employees against the effects of inflation in the economy so as to at least maintain the purchasing power of individual salaries and pay packages.

Wage and Salary administration is one of the most difficult functions of personnel management. And it is also one of the most significant to both the organization and the employee. It is important to the organization because, wages and salaries constitute the greatest single cost of doing a business. And to the employers, the pay cheque is the sole means of economic survival, it is also one of the most influential factors that determines status in the society.

As far as an organization is concerned, employee conpensation programmes are designed to attract capable employees to the organization, motivate them towards superior performance and retain their services over an extended period of time.

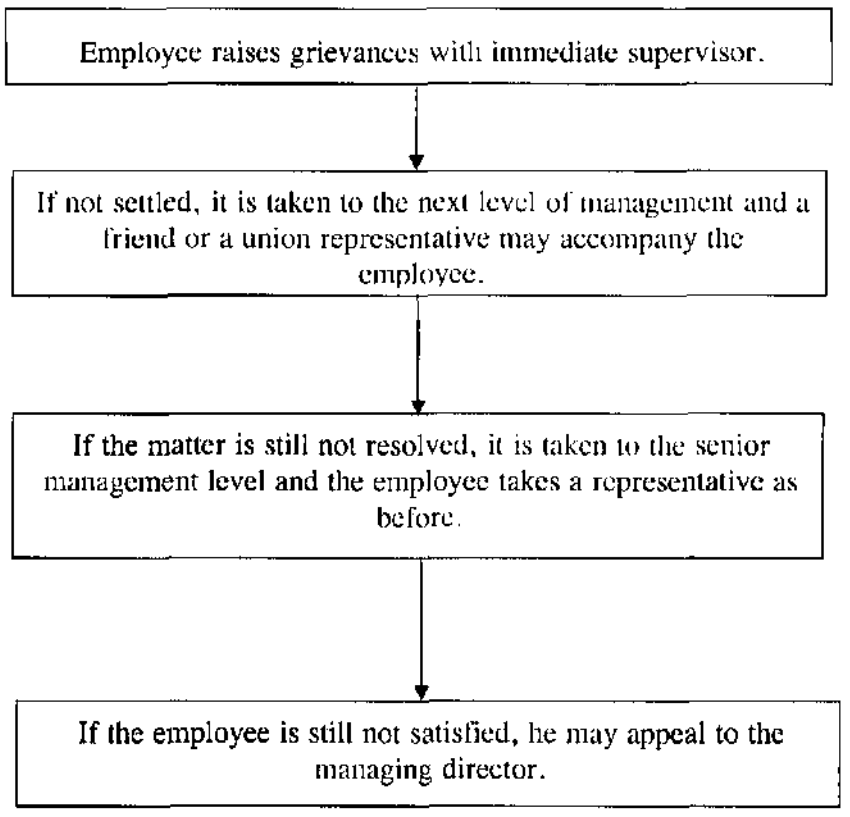
III) **Grievances and Discipline**

Grievances: These are the disputes that arise in practically every organization between individuals and their managers. Whereas in strike terms, nine out of ten firms do not experience a single strike in a year; in the

case of grievances the situation is reversed, with hardly an employer completely free of grievances in the course of twelve months.

A grievance is an individual dispute between an employee and his or her employer. However, since individuals and their problems are as much a part of employee relations as collective issues, then it is in the interest of both management and trade unions to have a written procedures for dealing with grievances. There is also the point, of course, that individual dispute if left unresolved may themselves lead to collective disputes. The main objective of a grievance procedure is to settle the disputes at the earliest possible stage, as Hawkins (1979) puts it "in this sense, a grievance procedure is preventive in character".

A typical grievance procedure provides for the following stages: -



The procedures outlined above are intended to inform employees of their rights in the matter of grievances. Whilst the procedure gives the employee the opportunity to raise his grievance at the highest level possible. The main aim is to enable each dispute to be resolved as close as possible to their source. This of course depends on the degree of authority given to the supervisors and the junior management to resolve grievances at their level.

In order that justice is not done, but seem to be done, it is usual for the procedure to permit an aggrieved person to take a friend or trade union representative along with him to the second and subsequent stages. The presence of this other person helps to have " a fair play", for the employee concerned and also for this management; for sometimes a flimsy or contrived grievances can be discredited by the employee's representative.

Whilst grievances are almost inevitable in any organisation, their numbers can be kept to a minimum, by maintaining effective communication between employees and their immediate supervisors/managers.

Disciplinary Matters: - Whereas the employee initiates grievances, management initiates disciplinary matters. At work, discipline is a question of:-

(a) Devising appropriate rules of behaviour for employees.

(b) Providing fair and consistent means of enforcing them.

ACSA in its code of practice on disciplinary matters suggest the following as a model feature of a disciplinary procedure.

a. Be in written form.

b. Specify to whom it applies.

c. Provide for the speedy progress of disciplinary hearing.

d. Indicate the various forms of disciplinary actions that may be taken (warnings, dismissals).

e. Specify appropriate level of authority for exercising disciplinary actions.

f. Ensure that individuals are informed of the disciplinary charges made against them.

g. Permit such individuals to state their case, and to be accompanied with a friend or trade union representative.

h. Ensure the proper investigation of any case before disciplinary action is implemented.

i. Ensure that individuals are informed of the reasons for the action being taken against them.

j. Ensure that no individual is dismissed for the offence except in case of gross misconduct.

k. Provide for, a right of appeal.

The standard expected of employees is set out in various documents such as company rulebooks, employee handbook and disciplinary procedures. There are also "unwritten" or implied rules. Since discipline is as much a matter of general behaviour as of specific behaviour, few organizations specify every rule. Whether or not an offence is the course of disciplinary action, also

depends on the nature of the circumstances, on management's previous attitudes and on the culture of the organisation generally. What in one firm would be a dismissal offence could be far less serious in another firm.

IV) **Joint Consultative Machinery**

Joint meetings between management and employees can range from formally constituted joint committees, served by representatives of both parties, to informal joint meetings along the lines of the briefing groups just described.

Usually when reference is made to "joint consultation", it is the formal committee structure which is intended. Joint consultation refers to joint discussions and matters of common interest to management and employees, and is usually contrasted with "collective bargaining" which is a negotiating process about matters in which the interest of the parties are not the same. Clegg (1978) sees three important principles developing in joint consultation from the activities of the whitley committee (1917 – 1918).

"... There are many topics of concern to employers and trade unions, and the managers and men, which are not suitable for settlement by negotiation and collective agreement. These topics should be handled by co-operation, and that relations within the plant should be predominantly or entirely confirmed to co-operation over issues outside the scope of collective agreements"

Whilst collective bargaining has grown considerably in Britain since that time, there is still a great deal of support for joint consultation about matters of mutual interest.

The extent to which managers and employees commit themselves to joint consultation depends on a number of important issues.

a. Management views of consultation.

b. Employers view of its purpose.

c. The relative strength of the trade union concerned.

d. The state of mutual trust between management and employees.

e. The subject matter of consultation.

f. The extent to which joint problems – solving is seen as a legitimate purpose for both parties.

Management tends to see joint consultation in terms of obtaining employees commitment to decisions already taken. Some management may see the process as being one by which employee's views can influence, and hence modify, discussions. Yet, others see it as one of mutual problem solving, even to the point of joint discussion making.

The union tends to see joint consultation as a competing process with collective bargaining. Thus traditionally, they have attempted to make most topics negotiable in order to reduce the effective power of consultative bodies.

Individual employees may well see joint consultation as a mechanism for improving the quality of working life by bringing their point of view to bear on discussions of views connected by day-to-day working. Where trade

union membership activity is low, joint consultation appears to meet employees needs and management needs effectively.

The failure of joint consultation may, as Robson M. P. 1982 suggested lie in its role as a precursor of collective bargaining.

V) **Performance Appraisal**

The expression "performance appraisal" usually relates to the assessment of staff, or managerial performance and not that of manual workers. There are two categories of appraisal namely: -

i. Informal.

ii. Formal.

Informal appraisal is the continuing assessment of an individual's performance by his manager in the normal course of work. This kind of assessment is of an ad hoc nature and is as much determined by intuitive feelings as by factual evidence of results. It is a natural by-product of the day-to-day relationship between managers and sub-ordinates. Formal appraisal is altogether more rational and orderly than informal appraisal. Formal appraisal is an assessment of employee's performance in some systematic and planned ways.

Reason for Appraisal:- There are several reasons why appraisals are carried out in organizations. These may be summarized as follows: -

a. To identify an individual's current level of job performance.

b. To identify employees strength and weakness

c. To enable employees to improve their performance.

d. To provide a basis for rewarding employees in relation to their contributions to organizational goals.

e. To motivate individuals.

f. To identify training and development needs.

g. To identify potential performance.

h. To provide information for succession planning.

The most likely reason for the adoption of staff appraisal is to draw attention to present performance in the job in order to: -

a) Reward people fairly.

b) To identify those with potentials for promotion or transfer.

Writers such as Drucker (1954) is enthusiastic about appraisal,

"To appraise a sub-ordinate and his performance is part of the manager's job, indeed, unless he does the appraisal himself, he cannot adequately discharge his responsibilities for assisting and teaching his sub-ordinate".

VI) **Training Plans**

a) **Training Policy: -** The training policy of an organization will usually be included in the range of policies dealing with human resources. The policy statement sets out what the organization is prepared to do in terms of developing its employees. For some organization, a policy statement is a brief sentence such as: -

The company will provide means to ensure that every employee will be adequately trained in the basic task of his or her employment.

The implication of the above example is that training will focus on immediate learning needs related to current tasks and duties.

The role of training in the organization is therefore primarily determined by the overall purpose of the organization.

b) **Training Needs:** - Organizations adopting a systematic approach to training and development, will usually set about defining their needs for training in accordance with well organized procedures; such a procedure will entail looking at training needs from a number of different perspectives.

i. The organization, i.e. cooperate requirements.

ii. The departmental function.

iii. The jobs, or occupational group.

iv. The individual employees.

The particular perspective chosen will depend on the circumstances, for example, if changes in the external environment of the organisation are exerting pressures for change internally, then a cooperative perspective needs to be taken. If however, the issue is one of improving skills in a particular category of employees, then that occupational group will provide the focus of efforts. Usually organization's analysis training needs in

response to operational weaknesses that are reported in by the line manager is to meet the demand for change.

What is a Training Need? Basically, it is any shortfall in employee's performance or potential performance, which can be remedied by appropriate training. There are many ways of overcoming difficulties in human performance at work, and training is one of them. It is important to recognize this fact, since sometimes training staff are asked to meet needs which ought to be dealt with in some other ways such as improving pays, replacing machinery or simplifying procedures.

More jobs required the jobholders to possess appropriate knowledge and skills. Knowledge on its own sometime is insufficient and understanding is required. Understanding in this context refers to the group of underlying principles or working of a process. It is a deeper form of knowledge.

This is the main reason why staffs of an organization need to be trained consistently, to keep them up-to-day in terms of technological change and changes within the organization.

VII) **Motivation**

Why do management attempts to achieve a motivational workforce? Why do people behave the way they do? The question of what motivate the workers to perform effectively is not an easy one to answer. People are the greatest single assets available to an enterprise. Infact, an organization is people! Unfortunately however, people are the only asset that can actually work

against the organizational goals! It is therefore only by collaborative effort that people can release their latent energy, and creativity in the service of the enterprise.

"Motivation is a process in which people choose between alternative forms of behaviour in order to achieve personal goals".

Exercising choice is not just a rational process but one, which is considerably effected by emotions, and deeply held values of the individual.

The goals sought by individuals can be relatively tangible, such as monetary rewards or promotions, or intangible, such as self esteem or job satisfaction, the rewards available to an individual are generally classified under two headings.

Intrinsic reward: - This is a sense of achievement or a feeling of self-esteem.

Extrinsic reward: - This is a pay-raise or a promotion.

Motivation can be described as behaviour caused by some stimulus but directed towards a desired outcome as indicated below: -

Stimulus → Appropriate behaviour → Goal/desired outcome

In this model, a stimulus could be a need; drive, or incentive of some kind. Appropriate behaviours would be to pull into Mr. Biggs Restaurant.

The goals or desired outcome would be at least a relief of hunger pangs, or the enjoyment of a satisfying meal. Effective performance at work does not just depend on motivation. Numerous other factors such as individual knowledge and skills, the nature of the task, the management style adopted and the organization's climate, all play a part in the results, people achieve. The key feature of motivation is that it determines the extent to which an individual desires to places his or her knowledge and skills, at the disposal of other and more than that, to shrug off the effects of obstacles and difficulties in so doing.

2.6 HISTORICAL BACKGROUND OF NIGERIAN NATIONAL PETROLEUM COOPERATION

The dominant role of petroleum in our economy can only be projected, after one appreciates fully the importance of it to Nigeria. Petroleum production and export is the backbone of Nigerian economy, providing almost 90% of our export earnings today. Agriculture which traditionally had been the mainstay of the economy from early 50s and 60s has since been relegated to the background.

Development of Nigeria's Oil Industry

Oil production began in Nigeria a far back as 1908, when a German Company, the Nigerian Bituman Corporation started exploration in the Araromi area of the present Ondo State. Their pioneering efforts, however, ended with the out-break of the World War I in 1914.

Oil prospecting resumed again in 1937 Shell D Aroy (the fore runner of the present Shell Petroleum Development Company of Nigeria) was awarded the sole concessionary rights, covering the whole territory of Nigeria. Their activities were again interrupted by another War, this time the 2nd World War, but resumed ten years later (1947). However, it was not until 1956 that oil was discovered in commercial quantity at Oloiboic in the Niger Delter with an investment of over ₦30 million. Production started in 1958.

By 1961, other companies like Mobil, Agip, Satrap (Now Elf) Tenneco and Amoseas (Now Texaco ands Chevron) had began exploration activities for oil in the onshore and offshore areas. Oil production and exploitation started in 1958, by Shell from Oloiboic, at a production rate of 5,100 barrels of crude oil per day.

Government Involvement: The Birth of NNPC

The Role of Government in the oil industry started from a regulatory one, and has gradually progressed to direct involvement in oil exploration and exportation. Initially government interest was only limited to the collection of royalties, and other dues offered it by the oil companies, and making rudimentary laws for regulating the activities of the oil industry. This cannot be far from the fact that, oil was very insignificant to the National economy, before the late 60s, compared with the relative lack of trained personnel and expertise.

Barely a year after the Nigerian civil War, 1971 to be precise, oil had become very important to the Nigerian economy. To strengthen and establish government control in the industry therefore, the Nigerian National Oil Corporation (NNOC) was established by decree as an integrated oil company. It was also in the same year that Nigeria joined the organisation of petroleum exporting countries (OPEC) as the 11th member country. The NNOC has responsibility for both upstream and down stream activities in the industry.

It was as a result of the above development that government decided on intensive participation in the industry's activities, with the believe that, with more say in the running of the oil industry, it could achieve it's goals of rapid industrial and commercial development of the country. Hence today government participation stands at 60% in Shell, Mobil, Agip, Texaco, elf and Chevron.

Meanwhile, the Ministry of Petroleum Resources, whose functions were mainly regulatory, was also running concurrently with NNOC. It was not until 1st April 1977, that a merger between the Ministry and NNOC, created the Nigerian National Petroleum Corporation (NNPC). NNPC combined the commercial functions of the NNOC (Namely – exploration, productions, transportation, processing of oil, refining, marketing of crude oil and it's refined products) with the regulatory functions of the former Ministry of Petroleum Resources.

Development of the NNP

In carrying out it's assignments, the NNPC has always been mindful of the need, for structural changes in it's organisation to reflect the realities of the situation from a very centralised structure. The corporation has continued to evolve new organisational structure with a view to running it's business much more effectively and efficiently. In 1985 the corporation was reorganised into five semi – autonomous sectors, each headed by a sector coordinator.

- Oil and Gas
- Refineries
- Petrochemicals
- Pipeline and Product Marketing
- Petroleum Inspectorate

In March 1988, NNPC was declared a commercial, integrated, international oil company, whose mission was to profitably explore, produce, process and market crude and refined petroleum, and it's by – products and derivatives at internationally competitive prices, both at home and abroad.

The petroleum inspectorate which had hitherto been an integral arm of the NNPC was transferred to the Ministry of Petroleum Resources. It is now a Directorate in the Ministry, but still performs it's regulatory functions.

The Current Structure

Today the NNPC comprises of a Corporate Head Office, within six functional divisions, and twelve subsidiaries companies, charged with the execution of the

corporations business. The new NNPC group is headed by a Group Managing Director, and six Group Executive Directors, directly responsible for:

a) Services

b) Upstream and Gas development

c) Refining and Petro-chemicals

d) Finance and Accounts

e) Commercial and investments and the

f) National Petroleum investment management services (NAPIMS)

The twelve subsidiary companies are:-

1. Kaduna Refinery and Petrochemicals Company Ltd. (KRPC)
2. Warri Refinery and Petrochemicals Company Ltd. (WRPC)
3. Portharcourt Refining Company Ltd. (PHRC)
4. Eleme Petrochemicals Company Ltd. (EPCL)
5. Pipelines and Products Marketing Company Ltd. (PPMC)
6. Nigerian Petroleum Development Company Ltd. (NNPC)
7. Integrated Data Services Ltd. (IDSL)
8. National Engineering and Technical Company (NETCO)
9. Nigerian Gas Company Ltd. (NGC)
10. Nigerian Liquefied Natural Gas Ltd. (NLNG)
11. Hyson Nigeria Ltd. in affiliation with Calson (Barmuda) Ltd.
12. International Trading Activities.

CHAPTER THREE

METHODOLOGY

3.0 KRPC IN PERSPECTIVE

As a result of explosion in demand for domestic petroleum product coupled with the distribution bottlenecks in the 1978 - 1979, the need arouse more than ever before for sighting yet an additional refinery in the country.

The third refinery was by 1980 commissioned in the country, at Kaduna, to help the aberration in the dynamics of the importation system and local distribution system for the refined product.

In line with general corporate administrative set up, Kaduna Refinery & Petrochemicals Company Ltd. (K.R.P.C) is headed by a Managing Director who is the Chief Executive responsible for the entire administration of the two plants and reports to the Group Managing Director through the Group Executive Director operations. There are two divisions in the refinery namely: The Operation Division and The Services Division, all headed by Executive Directors responsible to the K.R.P.C Managing Director.

The K.R.P.C. is administered along the same line as other Strategic Business Units (S.B.U) of the corporation. Slight differences manifest as a result of local prevailing circumstances where these problems do not manifest problems that will affect the corporate frame work, they can be locally handled.

To a large extent, the same incentive schemes are operated to maintain uniformity in the corporation. However, because of the peculiarity of the K.R.P.C operations, certain extra incentives are applied to make for smoother efficiency that may not apply to the other arms of the corporation.

The refinery plants has a total refining capacity of 100,000 BPD, and can handle both local heavy crude and imported light Arabian crude. It is the most unique of all the refineries so far, this is because it has two unique departments. While one part produces fuels i.e. Diesel (A.G.O), Kerosene (D.P.K), Petroleum motor spirit (P.M.S), Aero turbine kerosene (A.T.K.) and Sulfur etc. to the tune of 50,000 BPD. The other half has a capacity for the production of 50,000 BPD of lubricants of various shades and raw materials for road building, cosmetics etc. In addition to this, the K.R.P.C has a petrochemical plant that produces linear Alkyl Benzene (LAB) for making liquid detergent. And it also has a manufacturing unit that produces tin and drums for product packaging.

The refinery has staff strength of approximately 2,240 people, which is a microcosm of the federal character in line with Federal Government Policy. The refinery is planned in such a way as to guarantee self-sufficiency in all its utility requirements, water, light, medical, telecommunication, safety and security, staff nursing, canteen, school, children and recreational facilities among others.

As a result of the complex nature of the technology used, and the heterogeneous work force. Coupled with the demand of society of the oil sector, the K.R.P.C

accepting the role assigned to her for petroleum product availability, in the Northern part of the country, must have to fulfil this objectives through people.

In order to achieve its organizational goals and objectives, the management tries to explore more scientific ways as much as possible to carry the staffs along. It does this through the use of suitable incentives and motivators to be able to build up a healthy, loyal and committed work force for better achievement of the company's goals and objectives for each planning period.

K.R.P.C's VISION: - K.R.P.C is a commercial, international company engaged in Oil and Gas activities utilizing skilled manpower and current technology.

K.R.P.C's MISION: - To be a world class oil and gas company driven by shared commitment to excellence, customer's satisfaction and continuos improvement.

3.1 **AREA OF STUDY**:- This study was carried out at K.R.P.C LTD which is situated at the out skirts of Kaduna city at about kilometer 16 along Kaduna – Kachia road in Chikun Local Government Area of Kaduna State.

3.2 **SAMPLE AND SAMPLING TECHNIQUE**

Data was collected from:

a) Already available documents from library.

b) Already available information at the personnel department about the department and employees of the organisation.

c) Superintendent and Supervisor of Power & Utilities and Personnel Department were selected to have an overview of some key issues.

d) Random selection of some employees of the organisation was also carried out.

3.3 METHOD OF COLLECTING DATA

The data for this research work was gathered through:

ii. **Personnel Interview:-** Interview was conducted to some employees to ascertain the position of things. This is done because it is good for this particular research work as well as very explanatory, and the response is better than other methods, and it is also cheaper and saves a lot of time and energy.

ii. **Documentary Method:-** Various information were gathered through the firm's library, the records of the personnel department and the employees department records. This is very essential because it provides a very reliable source of information.

CHAPTER FOUR

4.0 DATA PRESENTATION AND ANALYSIS

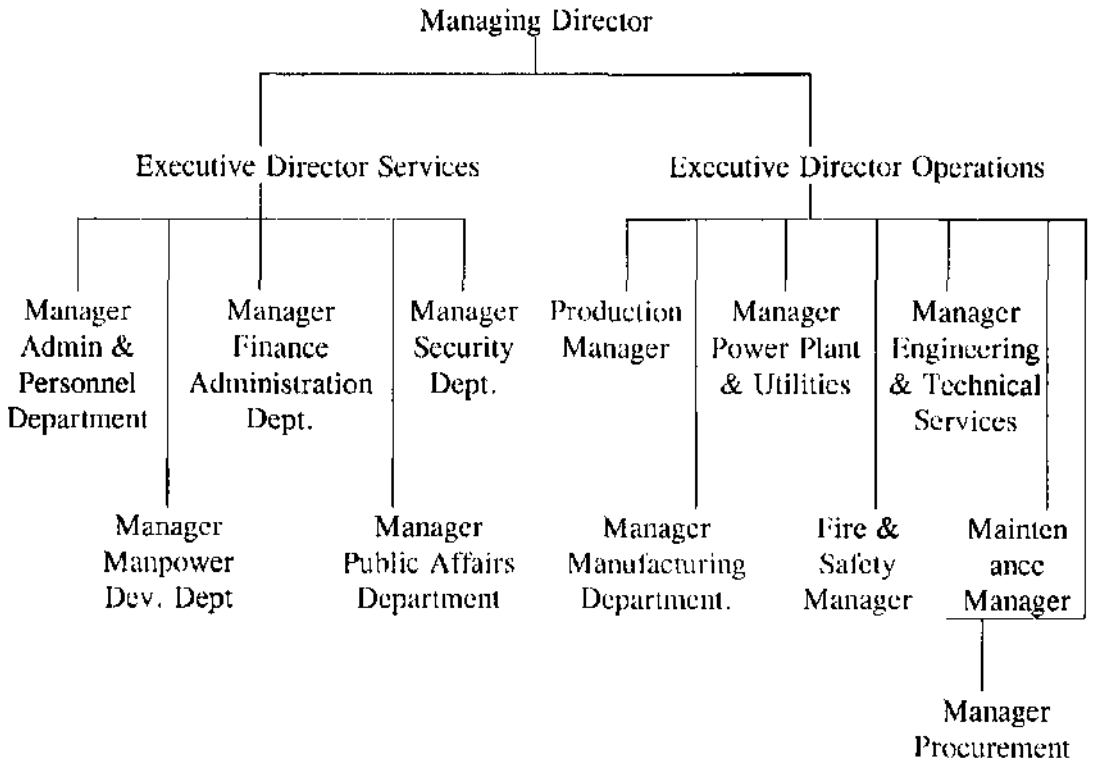
INTRODUCTION: The Personnel Department occupies a key position in any business enterprises. This is so because it controls the human resources that carryout the business of the firm. This control is known as the personnel functions, which are divided into management functions and operative functions.

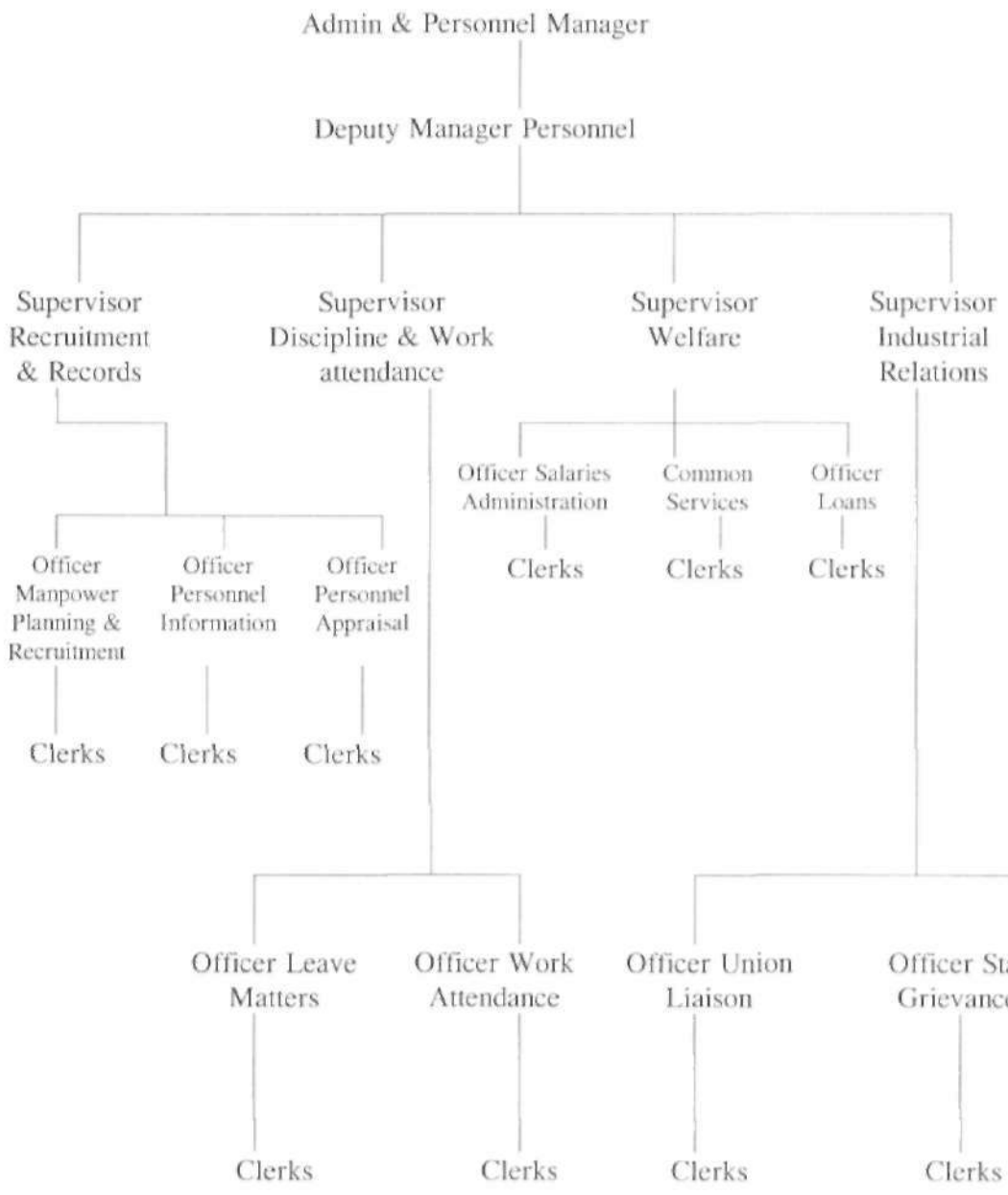
Management functions have to do with the planning, organising, directing and controlling of the entire work force.

The operative functions deal with procurement, development, compensation, integration, maintenance and separation of individuals from the business enterprise.

The personnel interviews carried out by the researcher are based on random selection of personnel from selected departments. And the observations used in this research work are purely the researcher's personal observations.

4.1 REFINERY ADMINISTRATION




Admin & Personnel Manager
Deputy Manager Personnel
Supervisor Recruitment & Records
Supervisor Discipline & Work attendance
Supervisor Welfare
Supervisor Industrial Relations
Officer Manpower Planning & Recruitment
Officer Personnel Information
Officer Personnel Appraisal
Officer Salaries Administration
Common Services
Officer Loans
Clerks
Clerks
Clerks
Clerks
Clerks
Clerks
Officer Leave Matters
Officer Work Attendance
Officer Union Liaison
Officer Staff Grievances
Clerks
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Clerks
Clerks

JOB CLASSIFICATION PROFILE

Category	Corporate	Services	Operations	Maintenance	Accounts	Grade
Management	Group Managing Director					M1
	Group Executive Director					M2
	Group General Manager/MD					M3
Management		General Manager/ Executive Director				M4
		Manager				M5
		Deputy Manager				M6
Supervisor		Supervisor	Superintendent	Superintendent	Supervisor	SS3-SS1
Operatives		Officer	Chief operator	Engineer	Accountant	SS5-SS4
Operatives		Assistant	Operator	Technician	Assistant	SS6-SS7
Operatives		Clerk	Operator	Artisan	Clerk	JS1-JS4

The managing director of Kaduna Refinery is the person responsible for every aspect of the company: - making the final decisions with regards to anything in the refinery for the running of the refinery and the profit or lost made by the company.

There are two main sectors with regards to the normal running of the refinery. The operations section and the service section, each headed by an executive director or general manager on grade level M4.

THE OPERATIONS SECTION:- The Executive director operations as the name implies manages all the sections that are under him which includes:-

- **PRODUCTION DEPARTMENT:-** This is where the crude oil is refined and separated into various refined products such as petrol, diesel, kerosene, asphalt and wax.
- **POWER PLANT DEPARTMENT:-** This is where the generations of electric power and stream is carried out. Which are used in the normal running of the refinery machines.
- **FIRE AND SAFETY DEPARTMENT:-** This is the department that looks over any operations that is carried out to ensure that normal safety procedures have been affected, and also supervises the operations. The department also carries out fire fighting each time there is fire in any section of the refinery.
- **ENGINEERING AND TECHNICAL SERVICE DEPARTMENT:** This is a department that oversees any engineering and technical work that is carried out in any of the operations department of the refinery. And it also indicates and designs any modification that may be necessary for the smooth operations of the refinery.
- **MAINTENANCE DEPARTMENT:-** This department as the name implies carries out any maintenance job that is to be done in the refinery.
- **PRECUREMENT:** This department procures all equipment and spare parts and chemicals that are needed for the running of the refinery.

THE SERVICES SECTION

The service section is headed by executive director services on grade level M4, who oversees the work or functions of the section. Among the departments under the executive director services are:-

- **ADMINISTRATION AND PERSONNEL DEPARTMENT:-** This department carries out the whole personnel administration of the refinery staff, recruitment; discipline and other general administration.
- **MANPOWER DEVELOPMENT DPARTMENT:-** This department carries out manpower development and training of all the employees of the refinery. This includes training, development, enlightenment programmes etc.
- **FINANCE ADMINISTRATION DEPARTMENT:-** Administration of all financial expenditure of the company is carried out by this department.
- **DEPARTMENT OF PUBLIC AFFAIRS:-** This department deals with the general public: which include the consumers of the various products, which the company producers, and the people living in the villages surrounding the industry.
- **SECURITY DEPARTMENT:-** This as the name implies is the department that ensure that all the equipment parts, cars, computers and all other assets of the company are secured and prevented from theft.

A SURVEY OF K.R.P.C LTD.

Kaduna Refinery and Petrochemicals Company has a personnel department whose function includes labour requisition, interview, selection, placement training and development and appraisal of personnel. However, these responsibilities are planned by personnel department, but implemented in conjunction with other managers and supervisors of other departments. This simply indicates that matters related to personnel and responsibilities are shared among the personnel department and the other department of the company. The personnel department constitutes of:

An administrative personnel manager, and under him are deputy manager personnel and a deputy manager administration. Under the deputy manager personnel, there are four supervisors:-

1. **Officer Recruitment and Records:-** Under him there is an officer who takes care of manpower planning and recruitment. He is also the officer in charge of recruitment i.e. Staff, N.Y.S.C., ITF, SIWES.
2. **Officer Personnel Information:-** This is the office that is in charge of all the record of the employees of the company. And under him are clerks.
3. **Officer Personnel Appraisal:-**This officer is at the helm of affairs with regards to employee appraisal. He reviews the appraisal carried out by departments and executes them according to personnel specification.

Other supervisors under the personnel department are discipline and work attendance.

The consultant has since carried out the job and after proper review the company has since implemented the report of the consultant in carrying out its day – to – day activities.

4.3 WAGES AND SALARY ADMINISTRATION

The most important obligation owed by an employer to an employee is to pay him wages. After the submission of the report of the consultant a new harmonized salary structure which resembles that which is paid in order Oil Companies like K.R.P.C. Ltd. in other parts of the world and was started to be paid to the staff of K.R.P.C. in 1995.

K.R.P.C. Ltd. also uses modern wage and salary administration process like, the use of clock – in – machines, which a worker uses and clocks in his card whenever he comes to work and also clocks out whenever he closes from work. This will enable the worker to concentrated on his work and enable the personnel department to monitor properly any absenteeism, late coming to work, or overtime put in by a worker. And they take appropriate action to either pay the worker or make deduction from his salary as the case may be.

The personnel department also uses computerized programmes in the preparations and payments of salaries and other staff benefits. The department also uses modern computers in the employee record keeping.

4.4 GRIEVANCES AND DISCIPLING

Like in any other organization grievances arise between an employee and his superior officer. K.R.P.C Ltd. has recognized this issue and has established under its personnel department industrial relation office, whose main objective is to ensure a peaceful environment, where peace reigns between co-worker to ensure that the company gets their best out-put without any distractions.

The industrial relation office handles any grievance that may arise between co-workers, which could not be settled at the departmental level. This implies that when there is any grievance between an employee and his superior officer, the employee makes his grievance known to his sectional head, for it to be settled. If it is not settled the employee will move to the sectional manager. If not resolved, he moves with the union representative or industrial relation officer to the manager of the department, if not resolved, then the personnel manager is then referred to by the industrial relation officer with regard to the issue. The decision taken at this point, is the final.

Another aim of the industrial relation office, is that of union liaison, whereby collective grievance of the employees are settled in this office, through the union representative. If not settled at that office, then the grievance is referred to the personnel manager where the grievance has to be settled even if it involves the executive director and the managing director of the company.

Disciplinary Matters: the management, either department or personnel management initiates disciplinary matters. When an employee does an offence, which is contrary to the condition of service of K.R.P.C Ltd. The officer he reports to is the first person responsible to check his action, therefore the first thing to do is to issue him an official query asking him to explain his action. The employee then replies the query explaining all his actions and why he did it. If the immediate superior officer feels that his explanation is all right with him, fine, if he however feels the employee explanation are not all right, then he referrers the case to the supervisor. If the supervisor feels, depending on the magnitude of the offence that the employee should be warned sectionally, then he goes ahead and issues a sectional warning to the employee. If however the offence is bigger than issuing a sectional warning, then the departmental manager now has to handle it, whereby a department warning could be issued.

When the offence committed is having absconded from duty, or gross misconduct, or fraud, or theft, the departmental manager refers the case to the personnel department, who will first issue their own personnel query. Then when the officer answers the query, the personnel department will then form a committee which will investigate the truth of the matter, whereby all parties involved will be invited to defend themselves. Then after the committee's finding, the personnel department will then make the final decision and give the necessary punishment that the employee deserves. This could be a suspension, termination of employment, or summary dismissals.

4.5 JOINT CONSULTATIVE MACHINERY

In K.R.P.C Ltd., the grievances of the employees has always been given the required attention, the managing director is always in contact with the employ's representatives to ensure that all their grievances are settled through the joint consultative meeting which is carried out once or twice annually.

The meeting includes members of the employer's representative, members of the employee's representative, members of the personnel department, the managing director of K.R.P.C Ltd. and the group executive director of N.N.P.C. In this meeting all the pressing issues that are above the power of the Managing Director of the company are settled through "collective bargaining".

4.6 PERSONNEL APPRAISAL

Each staff of K.R.P.C. Limited is appraised annually. This is to ensure that every (12) twelve calendar month each employee's work performance is reviewed and the appropriate actions are taken by his employers to make sure that all that is required to see that the employee gives his best output is done.

In Kaduna Refinery annual appraisal exercise ensure that:-

The work performance of the employee for the previous year is reviewed and a promotion is given to each staff after spending three years on the same grade, when he merits it and a percentage of the employee's total salary is given to him as a token of appreciation. Which ranges from:

i. 5% of total annual/monthly salary.

ii. 6% of total annual/monthly salary.

iii. 6.5% of total annual/monthly salary.

iv. 7.5% of total annual/monthly salary.

v. 10% of total annual/monthly salary.

- The training that is required by the employee to enhance his superior officers from a list of choices and recommendations also identify his performance.
- If the employee is not suitable for that job position, the employee is recommended to be transferred to a more suitable job position to enhance his performance.
- The employee has the minimum work qualification needed for his next job position before he is promoted to the position.
- Those employees with exceptional performance are given the managing director Award, which is an Award for employee with distinguished performance.

4.7 TRAINING

Each employee out of the 2240 employees of K.R.P.C Ltd. is recommended for training the next year, after the appraisal exercise of the preceding year. The recommendations are either sent to:

i. **Manpower Training and Development Department:** This is a department in the refinery that handles the employee's training and development exercise, it organizes training and courses locally in its school within the refinery or outside the refinery but within Kaduna State. Once they receive the recommendation from the departments about the training needs of the

employees they organize the training, courses or seminars as the case may be.

ii. **Group Human Resources Development Department (GHRDD):** This is a human resources development department under the N.N.P.C co-operate services. This is a department, which takes care of all the training needs of all the SBU's under the N.N.P.C. When the K.R.P.C Ltd. has recommended the training needs of their entire employee to the HRDD. The HRDD plans and organize the training programmes, form local training within the company environments (city) or training in any state of the Federation, to training in any country outside Nigerian.

The H.R.D.D also designed a human resource development programme for the entire staff of K.R.P.C for the periods of five years.

4.8 TYPES OF MOTIVATION IN THE KADUNA REFINERY

1. **Wages and Salaries:** In Nigeria and in other development countries, money in form of wages and salaries, plays an important role in worker's motivation. The Kaduna refinery, like other oil companies in the world has a primary responsibility to attract and retain its existing labour force. It therefore has its salary structure different from that of civil service, which is harmonized from time to time, to be able to pay an economic wage that is competitive.

These and other tangible factors such as equity and fairness in computation of wages made it possible for the refinery to retain and attract a high calibre of labour force.

The two unions namely Petroleum and Natural Gas Senior Staff Association of Nigeria (PENGASSAN), and National Union of Petroleum and Natural Gas Worker (NUPENG), are also free to sit and negotiate with the management on a collective bargaining and join consultative meeting. In a period of one to two years they review the worker's salaries and wages, for the benefit of their members. Apart from this some of the allowances given to refinery staff include among other things:

a. **Vehicle loan:** In accordance with the approved condition of service, the cooperation grants loans to its employee for the purchase of motor vehicle or motor cycles, provided they have completed six months service in the corporation.

b. **Compassionate loan:** Compassionate loans are given under circumstances arising from emergencies and personnel tragedies, the amount not exceeding the employee's three month basic salary.

c. **Rent Advance:** Advance not exceeding the sum of three month workers basic salary may be granted on the occasion of first assumption of duty, first appointment, new posting or transfer to a new station.

d. **Overtime:** This is the extra time put in to work after normal duty hours. This period is paid to junior staffs, which could be 150% - 200% of the amount they are paid for normal duty hours.

e. **Field and remote location allowance:** This is an allowance paid when an employee has to go for a fieldwork outside the normal location of the company.

f. **Shift duty allowance:** This allowance is strictly paid to workers who perform shift duty, and it could reach 10% of their basic salaries.

g. **Annual leave allowances:** This is an allowance paid to an employee every year when he is to go for his annual leave. This could reach 10% of his annual salary.

h. **Local course/overseas course allowance:** This is an allowance given to employee when he goes to a course either local or oversees.

i. **Housing allowance:** This is the allowance given to employee to settle their house rent in advance for a year.

j. **Hazard allowance:** Given to employees that deal with chemicals in the plant.

k. **Beverages allowance:** Given to staff to buy beverages.

The above outlined are all sort of monetary assistance to reduce socio-economic problems of workers conforming with the Abraham Maslow Hierarchy, in trying to assist workers to satisfy at least, the physiological needs, by giving competitive salaries for food and clothing and housing.

While the forms of loans advances and allowance will provide the security and to an extent the feeling of love and belonging.

CHAPTER FIVE

SUMMARY

Going by the reviewed literature of Human Resources Management Administration compared, with the practice in KRPC Ltd., there is the evidence that Human Resources Management and Administration is the heart of every organisation, be it private or public, and is therefore inevitable in any goal oriented organisation. For this simple reason therefore, KRPC Ltd. having realized this, has set up a strong Human Resources Department to oversee all the personnel activities/functions of the organisation.

Big organisations like the KRPC Ltd. can only make Human Resource Management and Administration effective, by using some key officers in other departments as personnel officers. Thereby combining their professional carrier and expertise with good personnel management/administrative skills as leaders and or heads of department, supervisors or unit managers.

From this study I found out that the morale of most of the employees of the organisation are exceptionally high, the reason being the employees commitment to hard work day – in – day – out, under rain or shine just to make the refinery operational.

perfecting the unperfected for a more vibrant, more efficient and a more dynamic Human Resources Management and Administrative Policies and practices.

These recommendations are:-

a) **Recruitment:** The management of KRPC should as much as possible use statistical methods in determining staff strength of each unit/department. this will ensure that vacant positions are promptly filled, so that the work does not suffer, due to insufficient staff while other available staffers are not overworked.

The management should also ensure that the right calibre of personnel are hired, those with the right qualifications and or experience, not just anybody who knows people at the top. This is to avoid the unprogressive effects some jobs suffers in the hands of incompetent personnel, thereby resulting to constant staff transfers from department to department

b) **Training & Development:-** The training and development programme in place should be redesigned by the Human Resources Development Department, (HRDD), so that each category of the staffers will be involved, as well as benefit at least bi-annually. This could include on the Job training. This is sequel to the fact that many of the employees have spent years without undergoing any training or development programme.

Staffers/Employees should also be more encouraged to go for further studies, especially short time or part-time courses, being offered in the nearest Universities and Polytechnics. This will take care of those employees complaining of not being promoted for lack of additional educational qualification, a situation which might result to lesser productivity.

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APPENDIX A

Department of Business Admin & Management
Ahmadu Bello University,
Kongo – Zaria
26/6/2001.

The Manager,
Human Resources,
NNPC, KRPC, Kaduna.

Dear Sir,

I am a student of the above named institution and am conducting a research in partial fulfillment for the award of a Masters of Business Administration (MBA).

My area of focus is Human Resources Management and your organisation – KRPC is my case study. I shall be most grateful if you can supply me some informations or allow me access to the following documents that are basically under your department. I promise that all documents/informations shall be treated with uttermost confidentiality.

The informations are:-

1. Refinery Administration
   - Organisational structure
   - Job Classification
   - Survey of the organisation
2. Establishment of Human Resources plan.
   - Assessing the Demand for labour
   - Estimating personnel requirements
   - Features of Job description
3. Wages and salary Administration

4. Industrial Relations – Grievances and Discipline
   - Disciplinary matters

5. Joint consultation

6. Appraisal Policies

7. Training Policies

8. Motivation policies

Thanking you in advance for your cooperation.

Yours faithfully,

Kate O. Ororo

APPENDIX B

INTRODUCTION:-

My name is Kate O. Ororo a student of the Department of Business Administration of Ahmadu Bello University Kongo – Zaria. I am conducting a research study on Human Resources Management. I will be grateful if you could response to a few questions, I am going to ask you.

All informations obtained through your response shall be treated for academic purpose and with all confidentiality.

Thank you.

1. How is the employee/management relationship in general?
2. How is discipline instilled among the workers?
3. How are the discipline measures implemented?
4. How did you get your Job?
5. For how long have you been working
6. Are your efforts and performance on the Job recognised?
7. What can you say about the existing policies as it concerns motivation, training and promotions?
8. Do you believe that your salary, Bonus and other incentives are commensurate to the Job?
9. In any given organisation there usually arise problems from time to time, when such comes up how and where do employees channel complaints/grievances?
10. How do you receive feed back of these complaints?