

GLOBALIZATION AND LABOUR REGULATIONS OF SELECTED CONSTRUCTION FIRMS IN RIVERS STATE, NIGERIA

**¹Dr. Agabe, N. A. & ²Madubuonu Jude Chikezie
Department of Business Administration, Department of Employment Relations
and Human Resource Management, ^{1&2}Ignatius Ajuru University of Education
Port Harcourt, Rivers State, Nigeria**

Email: agabux2016@gmail.com

ABSTRACT

The study examined the relationship between globalization and labour regulations of selected construction firms in Rivers State, Nigeria. The main objective was to determine the relationship between dimensions of globalization (economic opportunities, technological adoption and cultural elements) and measures of labour regulations (compensation policies, worker's rights and working conditions). nine research questions and hypotheses were raised for guiding the study. The target population was 5 selected construction firms through which 59 respondents were purposively taken as the sample size. The instrument used was validated structured questionnaire with 4 likert scale, analyzed through SPSS. The study revealed that economic opportunity, technological adoption and cultural elements correlates with compensation policies, worker's rights and working conditions. Therefore, the study concluded that economic opportunities, technological adoption and cultural elements enhance compensation policies, worker's rights and working conditions. Hence the study recommended that construction firms should be participating in global agreements that promote fair labor practices and protect workers' rights across borders, ensuring that globalization benefits all workers, not just a select few.

Keyword: Globalization, economic opportunities, technological adoption, cultural elements labour regulations, compensation policies, worker's right and working conditions.

Background to the Study

Construction firms in Rivers State are designing their regulations to ensure fair compensation, protect worker rights, and promote safe working environments. The advancement of labour laws has often been influenced by economic opportunities, technological adoption and the need to address strategic alliances. As globalization continue to reshape the construction firms, the effectiveness of existing labour regulations is increasingly scrutinized, prompting calls for improvements that better align with contemporary work practices and the performance budget.

In the construction firms, workers often face unsafe conditions and job insecurity which make forceful labour regulations essential. Also, compensation policies must not only reflect the risks associated with construction work but to ensure workers receive fair wages and benefits. Then in aspect of working conditions it involve the physical and social environment worker experience, including safety measures, hours an labour practices. Additionally, the enforcement of worker rights, including the right to organize and engage in collective bargaining, is essential for raising a culture of respect, shared values and dignity in the workplace.

Therefore, globalization becomes an essential tool that has influenced the construction firms in South-South, presenting economic opportunities, technological adoption and cultural elements. As firms increasingly engage in international markets, they are compelled to adopt the concepts to enhance efficiency and competitiveness. Ojo (2018 and Adebayo (2020) highlights how global trends can drive local firms to embrace technological adoption ultimately leading to economic outcomes.

Statement of the Problem

Despite the development, globalization has brought significant challenges in labour regulations in South-South, Nigeria, particularly concerning compensation policies, worker rights, leading to mistreatment and unsafe working conditions (Krueger & Harris, 2020). However, globalization presents economic opportunities, technological adoption and cultural elements that can enhance labor standards; by adopting best practices and promoting international partnerships, coupled with improve compliance of labor regulations and promote fair treatment of workers (ILO, 2021). The challenges faced by construction firms in Rivers State, Nigeria regarding labor regulation, particularly in terms of compensation policies, worker rights and working conditions are foremost, as many workers remain susceptible to neglect and unsafe working environments (Krueger & Harris, 2020). Hence, globalization offers a pathway to address these issues through economic opportunities, technological adoption and cultural elements by construction firms that can enhance their operational standards, ensuring better compliance with labor regulations and improved worker rights (Gereffi, 2018). Besides, there seem to be less attention on the study variables that is why the researcher is looking at globalization and labour regulation of construction firms in Rivers State, Nigeria.

Conceptual Framework

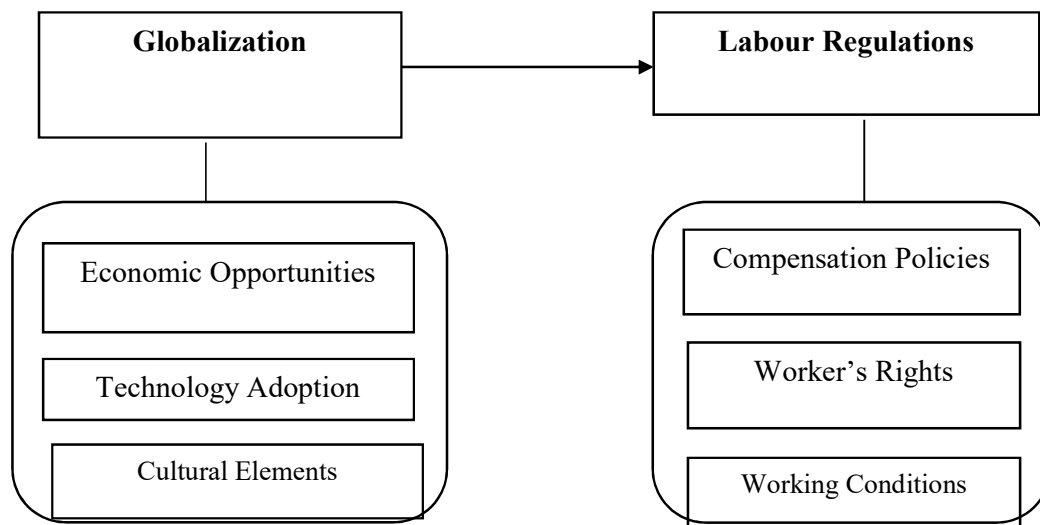


Figure 1.1: Globalization and Labour Regulations of Construction Firms in Rivers State, Nigeria.
Source: Alex (2023) and modified by the Researcher's Desk (2025).

Aims and Objective of the Study

The main purpose was to determine the relationship that exists between globalization and labour regulations of construction firms in Rivers State, Nigeria. However, specific objectives are:

1. To examine the relationship that exists between economic opportunities and compensation policies of selected construction firms in Rivers State, Nigeria.
2. To examine the relationship that exists between technological adoption and worker's rights of selected construction firms in Rivers State, Nigeria.
3. To examine the relationship that exists between cultural elements and working condition of selected construction firms in Rivers State, Nigeria.

Research Questions

Below are the research questions guided the study:

1. What is the relationship that exists between economic opportunities and compensation policies of selected construction firms in Rivers State, Nigeria?
2. What is the relationship that exists between technological adoption and worker's rights of selected construction firms in Rivers State, Nigeria?
3. What is the relationship that exists between cultural elements and working condition of selected construction firms in Rivers State, Nigeria?

Hypotheses

H₀₁: There is no significant relationship between economic opportunities and compensation policies of selected construction firms in Rivers State, Nigeria

H₀₅: There is no significant relationship between technological adoption and worker's rights of selected construction firms in Rivers State, Nigeria

H₀₉: There is no significant relationship between cultural elements and working condition of selected construction firms in Rivers State, Nigeria

Review of Related Literature

Concept of Globalization

Globalization is seen as the process that enhances the interconnectedness of labor markets, influencing industrial relations frameworks and policies (Nwankwo, 2022). Globalization is characterized as the expansion of economic activities across borders, leading to changes in labor relations and the dynamics of employment (Adeyemi, 2019). Globalization encompasses the integration of markets and the flow of labor, impacting industrial relations and human resource management (Ojo, 2018). Globalization is defined as the process of increasing interdependence among economies, which affects labor relations and employment practices (Awe & Alatishe, 2013).

Dimensions of Globalization

Economic Opportunities: Economic opportunities are shaped by government policies and regulations that create an enabling environment for business operations and labor relations, impacting overall economic performance (Adeyemi, 2023). Economic opportunities involve the ability to access financial resources, such as loans and grants, which enable individuals and organizations to invest in their businesses and improve productivity (Nwankwo, 2021).

Economic opportunities also include the ability for individuals to start and grow their own businesses, fostering innovation and economic diversification (Ibrahim, 2019).

Technological Adoption: Technological adoption refers to the process through which organizations integrate new technologies into their operations to enhance productivity and efficiency (Babatunde, 2023). Technological adoption involves the acceptance and utilization of advanced tools and systems to facilitate better communication and collaboration in the workplace (Chete et al., 2016). Technological adoption is the process through which organizations embrace technological innovations to improve operational effectiveness and competitiveness (Usman & Said, 2014).

Cultural Elements: Nwachukwu (2020) noted that cultural elements are the symbols and practices through which people express their way of life, helping to shape societal interactions and institutions. Adewuyi (2017) observed that cultural elements consist of language, religion, dress, social habits, and food that are passed down from generation to generation within a society. Okonkwo (2015) opined that cultural elements are the traditions, norms, values, and artifacts that define the identity and behavior of a particular society or community.

Concept of Labour Regulations

Labour regulation includes mechanisms for resolving disputes between employers and employees (Okafor, 2019). Labour regulation involves government intervention in the labour market to protect workers' rights and ensure fair practices (Eze, 2017). Labor regulation encompasses laws and policies that govern the relationship between employers and employees, aiming to protect workers' rights and promote fair labor practices, covering areas like wages, hours, working conditions, and employment discrimination.

Measures of Labour Regulations

Compensation Policies: According to Ogunyemi (2020) define compensation policies as a framework that outlines how an organization compensates its employees, including salary structures, bonuses, and benefits. Smith (209) opined that compensation policies are set of guideline that governs how compensation is determined, administered, and communicated within an organization. Johnson (2020) see compensation policies as policies that provides employees with stock options or shares as part of their compensation, aligning their interests with those of shareholders. Compensation policies are the process of designing and implementing compensation systems that ensure fair and equitable pay for employees (Milkovich & Newman, 2016).

Worker's Rights: Workers' rights are fundamental human rights that ensure fair and just treatment in the workplace, encompassing aspects like freedom of association, safe working conditions, and protection from discrimination. Workers have the right to receive fair wages that reflect the value of their labor and ensure a decent standard of living (Smith, 1776). Employees' rights are entitled to work in environments that are safe and healthy, free from hazards that could cause injury or illness (Marx, 1867). Freeman and Medoff (1984) opined that workers have the right to negotiate their terms of employment collectively through representatives, ensuring their voices are heard in workplace decisions.

Working Conditions: Eze (2021) asserted that working conditions encompass both physical aspects like tools and exposure to hazards, and social aspects such as respect, communication, and support from management. Ibrahim (2018) observed that working conditions in construction firms include the availability of protective equipment, fair wages, job security, and worker rights in line with labor laws. Bamidele (2016) opined that working conditions refer to the environment, safety, hours, and health practices under which construction workers operate on-site.

Theoretical Review

The study anchored on World Systems Theory by Immanuel Wallerstein (1974). World-systems theory posits that globalization is determined by economic inequalities, where core nations exploit peripheral countries for labor and resources. This theory also assumes that labor regulations are influenced by global market demands, leading to disparities in workers' rights and protections across different regions. Additionally, it further emphasizes the interdependence of nations within a capitalist context, where semi-peripheral countries play a mediating role. Lastly, it suggests that the global economic system perpetuates structural differences, affecting labor standards and regulations worldwide.

Empirical Review

Given a view of the empirical work such as; Adebayo (2012) and Oluwaseun (2019) found that globalization, through foreign investments and international labor standards, positively influenced the strengthening of labor regulations and policies. On the other hand, Chukwuma (2015) highlighted that globalization also led to a rise in informal labor, where regulations are often weak or ignored, resulting in worker exploitation. Nnaji (2023) further emphasized that while globalization encouraged better working conditions and wages in export-oriented businesses, these improvements were not evenly distributed across zones. Collectively, these studies show that globalization has both advanced and challenged the enforcement of labor regulations, depending on the sector and level of exposure to international standards.

METHODOLOGY

The study adopted cross sectional survey research design. The targeted population was 5 selected constructions firms (Julius Berger Nigeria Limited, Monier Construction Company Nigeria Limited, RCC Company, Germain's Construction Nigeria Limited and Mercury Engineering and Construction Company) in South-South, Nigeria which give the total of **53** head of departments taken as respondent. The sample size was 59 through purposive sampling technique. Besides, the instrument used was structured validated questionnaire with 4 likert scale - strongly agree to strongly disagree through the use of SPSS.

Results and Discussions of Findings

Particular	No. Distributed	No. Retrieved
Julius Berger Nigeria Limited	15	13
Monier Construction Company Nigeria Limited	13	12
RCC Company	12	11

Germain's Construction Nigeria Limited	9	9
Mercury Engineering & Construction Company	10	10
5 selected firms	59	55
Percentage	100%	94%

Hypothesis one

H₀₁: There is no statistical significant relationship between economic opportunities and compensation policies of selected construction firms in Rivers State, Nigeria

Table 1: Correlation between Economic Opportunities and Compensation Policies

			Economic Opportunities	Compensation Policies
Spearman's rho	Economic Opportunities	Correlation Coefficient	1.000	.669**
		Sig. (2-tailed)	.	.000
		N	55	55
	Compensation Policies	Correlation Coefficient	.669**	1.000
		Sig. (2-tailed)	.000	.
		N	55	55

** . Correlation is significant at the 0.01 level (2-tailed).

Table 1 above reveals that the Spearman Correlation coefficient is 0.669 which reflect a strong positive linear relationship between economic opportunities and compensation policies. And the Correlation test is highly significance at (p<0.001). The positive relationship means that as economic opportunities available within our organization provide ample opportunities for career advancement and benefits offered by the organization are competitive and fair compared to industry standards. Following this finding, the study concludes that there is a relationship between economic opportunities and compensation policies. Therefore null hypothesis was rejected.

Hypothesis Two.

H₀₂: There is no statistical significant relationship between technological adoption and measure of labour regulations of selected construction firms in Rivers State, Nigeria

Table 2: Correlation between Technological Adoption and Worker's Right

			Technological Adoption	Worker's Right.
Spearman's rho	Technological Adoption	Correlation Coefficient	1.000	.641**
		Sig. (2-tailed)	.	.000
		N	55	55
	Worker's Right	Correlation Coefficient	.641**	1.000
		Sig. (2-tailed)	.000	.
		N	55	55

** . Correlation is significant at the 0.01 level (2-tailed).

Table 2 above reveals that the Spearman Correlation coefficient is 0.641 which reflect a strong positive linear relationship between technological adoption and worker’s right. And the Correlation test is highly significance at ($p < 0.001$). Positive relationship means that Strong labor regulations and the presence of unions help figure technology adoption in ways that protect workers' rights. Following this finding, the study concludes that there is a relationship between technological adoption and worker’s right. Therefore null hypothesis was rejected.

Hypothesis Three

H₀₃: There is no statistical significant relationship between cultural elements and working conditions of selected construction firms in Rivers State, Nigeria

Table 3: Correlation between Cultural Elements and Working Conditions

			Cultural Elements	Working Conditions
Spearman's rho	Cultural Elements	Correlation Coefficient	1.000	.677**
		Sig. (2-tailed)	.	.000
		N	55	55
	Working Condition	Correlation Coefficient	.677**	1.000
		Sig. (2-tailed)	.000	.
		N	55	55

** . Correlation is significant at the 0.01 level (2-tailed).

Table 3 above reveals that the Spearman Correlation coefficient is 0.677 which reflect a strong positive linear relationship between cultural elements and working condition. And the Correlation test is highly significance at ($p < 0.001$). Positive relationship means that Strong labor regulations and the presence of unions help figure cultural elements in ways that dictate the type of work women are permitted to do. This cultural influence can lead to unequal enforcement of labor laws and unequal opportunities for workers. Following this finding, the study concludes that there is a relationship between cultural elements and working conditions. Therefore null hypothesis was rejected.

Discussion of Findings

In table 1 above; there is strong relationship between economic opportunities and compensation policies in construction firms in River State, Nigeria, which improves workers satisfaction, and in turn lead to increased economic growth. Conversely, overly stringent regulations deter investment and limit job creation. However, if regulations are perceived as too restrictive, they may discourage businesses from hiring or expanding, potentially stifling economic opportunities. This finding agreed with the work Adeyemi (2021).

Then table 2 above; shows there is strong relationship between technological adoption and workers right in construction firms in Rivers State, Nigeria. As technology evolves, it often necessitates updates to labor laws to ensure fair compensation and safeguard workers' rights. As organizations integrate new technologies, they often experience shifts in

workforce dynamics, which lead to both increased potential vulnerabilities for workers. This necessitates a reevaluation of existing labor laws to ensure that compensation remains equitable and that workers' rights are adequately protected. This findings agreed with the work of Adebayo and Okafor (2024).

Then table 3 above; shows there is strong relationship between cultural elements and working conditions in construction firms in Rivers State, Nigeria. As cultural elements evolves, by promoting fairness, respect, and a sense of belonging in the workplace. Societies that value equality and human dignity often reflect these values in labor practices, ensuring workers are well-compensated and treated ethically. Cultural respect for elders or experience, for example, can lead to better recognition and reward systems. Additionally, strong communal values may foster supportive work environments and collaborative safety practices. This agreed with the work of Okoro (2016 and Bello (2019).

CONCLUSION

Globalization in terms of economic opportunities, technological advancements and cultural elements often challenges existing labor regulations, necessitating adaptive policies to ensure fair compensation, protect workers' rights and safety in an evolving global setting. As an economic opportunity become more integrated, the demand for skilled labor increases, often leading to wage disparities and challenges in worker compensation policies. Moreover, the rapid pace of technological change necessitates a reevaluation of workers' rights to ensure they are adequately protected in a competitive global market. Policymakers must therefore strike a balance between adopting economic opportunities through globalization and implementing robust labor regulations that safeguard workers' interests.

RECOMMENDATIONS

The following were the recommendation made:

1. Construction industries should be encouraged to adopt corporate social responsibility practices that prioritize fair labor practices and ethical treatment of workers.
2. There should be participating in global agreements that promote fair labor practices and protect workers' rights across borders, ensuring that globalization benefits all workers, not just a select few.
3. The firm's labor regulations should be updated to protect workers' rights in the context of globalization.
4. The firm management or policymakers should invest in education and training programs that equip workers with the skills needed for emerging industries.
5. Construction firms should put cultural elements in to consideration for the growth of their business.
6. Government should strengthen labour standards to ensure compensation policies are fair and equitable in sectors across the country.

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