

## **The Critical Factors Responsible for Fairness in Managing Employee Dismissal in Some Textile Manufacturing Industries in Nigeria**

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**Abstract:** This study investigated the critical factors responsible for fairness in managing dismissal of employee in Textile industries. Dismissal without laid down procedure has cost textile industries in Nigeria huge sum of money in financing litigations. It is a huge source of economic drain to the industry. Litigation has negative impact on the financial status and progress of the organization. Dismissal without recourse to the rules and regulations and the contract arrangement stated by the employer is deemed unfair. There must be grounds for dismissal and dismissal must be fair otherwise the employee will seek retribution in court. The data utilized in this research was collected through cross-sectional survey. The data was utilized in answering research questions and testing hypothesis. The analysis of data collected from questionnaire instrument was done using percentages (%) and Z-test statistics. Analysis of data according to research questions showed that the grounds for dismissal were misconduct, insubordination, lack of qualification for the job, unsatisfactory performance and change requirement of the job. Misconduct was found as the foremost ground for dismissal in Enpee Plc and Afprint Plc. All the variables hypothetically tested as a factor responsible for fairness in managing employee dismissal has significant effect on textile industries in Nigeria. The textile industries should adhere to all the principles outlined in the study that is contingent to fairness in dismissal in order to avoid wrongful dismissal and incessant retribution in court by employees.

**Keywords:** Contractual agreement, court litigation, discharge claim, dismissal procedure, employee dismissal, managing dismissal

### **INTRODUCTION**

**Background of the study:** Dismissals are terminations initiated by the employer. It is the most drastic step an employer can take towards an employee and such an action is given careful consideration.

According to Charles (2001), with a contract either the employer or the employee could terminate at will the employment relationship. The employee can resign for any reason at will and the employer can dismiss an employee for any reason at will.

Incessant employee dismissal is not the best for any establishment because of the attendant drawback in terms of productivity and growth. Dismissal without recourse to lay down procedure, can lead to series of litigations which can retrogress the progress of the company. Costs awarded to individual seeking redress in court against wrongful dismissal can affect an organization financially and lead to poor performance. Labor turnover associated with dismissal has direct and indirect costs. The direct costs include such items like recruitment, hiring and training of replacements. The

indirect costs include production, work disruption, increased scrap and overtime for other employee in order to meet deadlines.

Dismissal is initiated by the employer when all practical steps to rehabilitate employee fail. The grounds for dismissal are misconduct, lack of qualification for the job insubordination and unsatisfactory performance (Joseph, 1972). Employers no longer find it easy to dismiss an employee since aggrieved employees takes them to court. A lot of effort and money is wasted in litigations as a result of wrongful dismissal. Bad hiring decisions should be avoided since this will prevent issue of unsatisfactory performance. The laid down rules and regulations should guide the process of dismissal to avoid unwarranted litigations as a result of employee complaint about unfairness of dismissal.

The numerous problems associated with dismissal makes it imperative that one should know the critical factors responsible for fairness in managing dismissal to bearable proportion before it constitutes a problem to the organization. This is one of the reasons why this study is worthwhile.

There is never a time dismissal is pleasant but there are several things you do to ensure that the employee views dismissal as fair. Nancy, Hatch Woodward (2007) found that individuals, who reported that they were given full explanations why and how dismissal decision were made were more likely to perceive their layoff as fair, endorse terminating organization and indicate that they will not take the past employer to court. Connie (1999) found that instituting a formal multistep procedure (including warning) and neutral appeal also fosters fairness. Brian and Gregory (1997) posited that who actually does the dismissing is important. According to them, managers who inform employees of their impending layoffs viewed the dismissal procedure as much fairer than did those told by the Human resource manager.

Dismissing an employee is one of the most crucial tasks a manager faces in the organization. Kemba (2001) found that dismissed employee even if forewarned may still react with disbelief or even violence. He emphasized that managers executing dismissal need protection from violence. There is no fairness in dismissal of employees if the contractual arrangement stated by the employer is not complied forth with. In a constructive discharge claim, the plaintiff argues that he quit, but had no choice, because the employer made the situation so intolerable at work (Paul, 2001). Connor (2000) stated that provision of employment policies and specifically, grievance/dispute resolution procedure will make employees feel they are treated fairly. Richard (2000) found that people who are fired and who walk away feeling embarrassed or treated unfairly are more likely to seek retribution in court. There is no way you can make dismissal pleasant but the first line of defense is to handle it with fairness and justice.

#### **Statement of problem:**

- Incessant dismissal has drawback in terms of productivity and growth of the organization.
- Dismissal without recourse to laid down procedures can lead to series of litigations which can retrogress the progress of the organization.
- Labor turnover associated with dismissal have direct and indirect costs in an organization; the direct costs includes such items like recruitment, hiring and training replacements; The indirect costs include production, work disruption, increased scrap and overtime for other employee in order to meet deadlines.
- Employees seek retribution in court when they perceive unfairness in their dismissal.

#### **Objective of study:**

- To examine some critical factors responsible for fairness in managing dismissal of employees in

some textile manufacturing industries in Nigeria; some of the critical factors are responsibility for dismissal, grounds for dismissal, avoid wrongful dismissal and security measures/comfort of the manager conducting dismissal

- To proffer solution to the problems of dismissal

**Research questions:** The study did utilize the following research questions:

- What are the grounds for dismissal?
- Can dismissal be prevented and how?
- What are the effects of unfairness to dismissal?

**Statement of hypotheses:** The following hypothesis was also formulated to guide this survey:

- **H<sub>0</sub>:** Decision to dismiss should be made solely by one person without including immediate boss, the next higher authority in the absence of the human in resource manager.  
**H<sub>A</sub>:** Decision to dismiss should not be made solely by one person but should include immediate boss, the next higher authority in the absence of the human resource manager.
- **H<sub>0</sub>:** Grounds for dismissal should not be based on the company rules and regulations and in full explanation on why and how decision was made.  
**H<sub>A</sub>:** Ground for dismissal should be based on the company rules and regulations and full explanation on why and how decision was made.
- **H<sub>0</sub>:** There should be no compliance with the contract arrangement stated by the employer when effecting dismissal.  
**H<sub>A</sub>:** There should be compliance with the contract arrangement stated by the employer when effecting dismissal.
- **H<sub>0</sub>:** The Security and comfort of the manager conducting dismissal should not be guaranteed to avoid disastrous consequences associated with firing someone.  
**H<sub>A</sub>:** The Security and comfort of the manager conducting dismissal should be guaranteed to avoid disastrous consequences associated with firing someone.

**Significance of study:** This study will guide against inherent mistakes associated with executing dismissal. The costs related to wrongful dismissal will be reduced or avoided. The arguments on who is responsible for dismissal, ground for dismissal and compliance with the laid down rules and regulations will be a bye gone.

## **LITERATURE REVIEW**

Dismissals are terminations initiated by the employer. It is the most drastic step an employer can

take towards an employee and such action is given careful consideration. It must always be treated with caution. Dismissal is inevitable when all practical steps towards rehabilitation of employee have failed. Dismissal can be carried out forthrightly when welfare of the company is at stake (Joseph, 1972).

It is no longer easy to dismiss employee since they always institute court action against the employer. Labor laws and court ruling have increasingly limited management right to dismiss employee.

A lot of procedure and processes have made dismissal different peoples affair. Since it is a grave responsibility, the decision to dismiss is not made solely by one person. The person normally responsible for appraising the employee must review the dismissal and get approval from the next higher authority, where there is a human resource manager, he too should be consulted before any action is taken. This will ensure complete objectivity and fairness to the employee (Joseph, 1972).

The reason for dismissal should be clearly stated and should be based on company rules and regulations. The reasons of dismissal include misconduct, lack of qualification for the job, change requirement of the job and unsatisfactory performance (Gillan, 2000). Misconduct is willful violation of the company rule and includes rowdy behavior, insubordination, stealing, chronic tardiness and poor quality work, while things like stealing, chronic tardiness, absenteeism and poor quality work are easily understood grounds for dismissal; insubordination is not easy to translate into words. The following facts are regarded as insubordinate, direct disregard of boss authority, disobedience; defiance of stated company policies; rules and regulations, procedures, public criticism of boss, disregard of reasonable instruction; contemptuous display of disrespect, disregard of chain of command, undermining leadership and insolent comment (Joseph, 1972).

Unsatisfactory performance is persistent failure to perform assigned duties to meet prescribed standard. Some of the reasons could be due to absenteeism tardiness and adverse attitude toward the company or fellow employee.

Lack of qualifications for the job is an employee inability to perform the assigned duty even though he is diligent. The employer should assign the person to another job that he can do or retrain him.

Change requirement of the job is the inability of the employee to do the job after the employer changed the nature of the job. The employer should retrain or transfer the employee.

Wrongful dismissal is a dismissal that failed to comply with contracted arrangement stated by the employer in the employee manual. It refers to a dismissal that violate the law (Robert and Morton, 2005).

In the US, the federal and state equal employment and workplace laws prohibits discharging employees based on race, color, religion, sex or national origin. This is covered by Title VII of the civil rights acts of 1964. In the same vein, the age discrimination in Employment Act prohibits discrimination against persons 40 years or older. The family and medical leave act provides employee with up to 12 weeks of protected unpaid leave for things like serious illness, occupational safety laws prohibiting firing employees for reporting dangerous workplace conditions (Robert and Morton, 2005).

In the US, numerous common law exceptions exist. For example some state courts recognize the concept of implied contracts in employment. Thus a court may decide that an employee handbook promising termination only "for just cause" may create an exception to the at-will rule.

Similarly, an employer may create an impression of secure employment by incorporating in its handbook progressive discipline policies or a series of procedure they will follow before taking adverse employment action (Robert and Morton, 2005).

In the U.S., Torts are special protection created by courts. One is against intentional infliction of emotional distress. Here a state court may deem an employer's action toward the employee so extreme and outrageous that it overturn dismissal.

Under the public policy exception, court has held a discharge to be wrongful when it was against an explicit well established policy (for instance the employer fired the employee for refusing to break the law).

There is never a time dismissal is pleasant but there are several things you do to ensure that the employee views the dismissal as fair (Connie, 1999; Brian and Gregory, 1997; Nancy, Hatch Woodward, 2007). These authors found that "individual who reported that they were given full explanations why and how termination decision were made were more likely to perceive their layoff as fair, endorse terminating organization and indicate that they will not take the past employer to court". They found that instituting a formal multistep procedure (including warning and neutral appeal process also fosters fairness).

Who actually does the dismissal is important. Employers in a study whose managers inform them of an impending layoff viewed the dismissal procedure as much fairer than those told by, say a human resource manager. The quality of the pre-layoff relationship between the employee and manager did affect whether or not the employee preferred to get the news from the manager. Based on this, one has questioned the common practice of having the human resource department handle such modification (Connie, 1999).

Dismissing an employee is one of the most crucial tasks a manager faces in the organization. In a space of

5 years period physician in the United States of America interviewed 791 employees who had undergone heart attack to discover what might have caused them. The researchers discovered that the stress associated with firing someone doubled the usual risk of a heart attack for the person firing, during the week following the dismissal (Miami, 1998). Kemba (2001) further found that dismissed employee, even if forewarned or warned many times, may still react with disbelief or even violence. He emphasized that the manager executing dismissal need protection from violence. Facility security measures are important wherever dismissal occur. Checklists are used to ensure that dismissed employee returned all keys and company property and often accompanying them out of their offices and out of the building. The employer should disable internet-related passwords and accounts of former employee, plug hole that could allow an ex-employee to exploit someone else's user account to gain illegal access and have formal rules to return company laptops. The person's immediate supervisor should ensure that all access privileges are cut off and all account deleted; the company security group then checks to make sure the manager follow the procedure (Jaikumar, 2001).

As said earlier, wrongful dismissal happens when an employee's dismissal does not comply with the law or with the contractual arrangement stated by the employer. In a constructive discharge claim, the plaintiff argues that he or she quit, but had no choice because the employer made the situation so intolerable at work (Paul, 2001).

Avoiding wrongful discharge suit require a two-pronged approach (James and Charles, 1994; Connor, 2000; Betty, 2005). They stated that you first create employment policies and specifically, grievance/dispute resolution procedure, that make employees feel they are fairly treated. They emphasized that people who are fired and who walk away feeling embarrassed or treated unfairly are more likely to seek retribution in court. According to them employers can use severance pay to blunt a dismissal string. There is no way to make termination pleasant, but the first line of defense is to handle it with fairness and justice.

The above authors also stated that you review and refine all employment related policies, procedure and document. Pay particular attention to employee handbook. They emphasized that the handbook should include an acknowledgement form. This makes clear that the material in the handbook does not constitute a contract.

According to the above authors, James and Charles (1994), Connor (2000) and Betty (2005). Other steps employer can take include:

- Ensure applicants sign the employment application. Make sure it contains clear statement that

employment is for no fixed term and that the employer can terminate at any time. It should also inform applicants that "nothing is on this application can be changed.

- Review your employee manual to find and delete statements that could prejudice your defiance in a wrongful discharge case. For example delete any reference to things like "employee can be terminated only for just cause (unless you really mean that).
- Have clear written rules listing infractions that may require discipline and discharge and then follow the rules.
- If a rule is broken, get the workers side of the story in front of witnesses and preferably got it signed.
- Appraise employees in writing at least annually. If an employee shows evidence of incompetence, give that person a warning and provide an opportunity to improve.
- Keep careful confidential records of all actions such as employee appraisals, warnings and notices, memos outlining how improvement should be accomplished and so on.

The best way to handle dismissal is to avoid it in the first place. Many dismissal starts with bad hiring decisions. Using effective selection practices including assessment tests, references and background checks, drug testing and clearly defined job descriptions can reduce need for many dismissals. The issue of unsatisfactory performance can be attacked by the managers before it becomes insurmountable. If any employee is not meeting job goals, is not adhering to departmental or company rules, or is not showing the proper cooperative attitude, all of which are danger signals pointing toward possible dismissal, the manager may be able to salvage the situation by having frank discussions with employee "early in the game" (Joseph, 1972).

How far the manager will go in giving the employee an opportunity to save his job will, of course, depend on the nature of the problem. In the case of non-adherence to company policy, about matters as absenteeism or tardiness or in the case of a problem attitude, where it is within the employees ability to show marked improvement quickly, long trial periods after sufficient warnings are not usually required or advisable. On the other hand where an employee's attitude and willingness are commendable, a manager should make every effort to work with and counsel the employee and to set reasonable targets of achievement for him (Joseph, 1972).

It is also recommended that a manager should follow up discussions with the employee in writing. In essence, the tone and spirit of this early discussions and written confirmations should be such as to convince the

employees of his Supervisors sincerity and thereby encourage him to his best-efforts.

According to Joseph (1972), employee should be transferred to a more suitable position if all effort to salvage the employee in the present job fails. If not the manager should take proper steps towards dismissing the employee.

The importance of establishing and adhering to specific guidelines in all the steps that lead to termination cannot be overemphasized. Richard (2000) stated that not only is this dictated by ethical business practice dealing with human relations problems, but the increasing greater role being played by governmental agencies at all levels make it incumbent on the employer. A company according to Richard (2000) must be in position to defend itself against charges of unfairness and discrimination. Therefore, to the extent possible, company policy and the procedures to be followed by managers in case of impending dismissals should be clearly set forth and closely administered.

The action is to be taken in impending dismissal was stated by Joseph (1972) and Connor (2000) as follow:

- Warning discussions should proceed any final action; an employee must be made aware that he is not performing satisfactorily. Ideally all discussions should be followed by confirming letters and copies of those who need to know (the managers superior and the personnel representative) distributed to them accordingly.
- Careful documentation of warning discussions should be kept by the supervisor. Wherever possible detail records should be kept as in the case of absenteeism, tardiness and failure to meet production goals. Adequate evidence furnished by the employer can have direct bearing on possible claims for employment insurance. For example, an employee dismissed for excessive absenteeism or tardiness cannot claim unemployment insurance, but the state division of employment usually requires that such evidence be documented and it must also be shown that the employee is warned. This is where employment insurance scheme prevails.

Final warning, when all things have failed should be extremely explicit. The employee should be made to realize that his job is in jeopardy. The final warning should spell out to the employee exactly where or how his performance is not meeting the standards and goals set for the job, the length of time he has in which to meet these standards and goals and that termination will result if he is unsuccessful (Connor, 2000).

Written confirmation of final warning is an absolute must as protection to both the employee and the company. As for the employee, the written warning

cannot be easily ignored or misunderstood. This assures the company that the managers have indeed carried out their responsibilities in the critical areas of dismissal in accordance with prescribed policy. It also provides documentation of proper handling should the company be called upon to prove same in possible subsequent claims or litigations (Kemba, 2001; Paul, 2001).

Adequate notice should be given to the employee in addition to final warning. The warning should state to the employee that he has to a specified date to meet job requirements and or standard performance. At that date, if he was unsuccessful, he then should be put on notice of termination. The duration of the notice varies with companies. It is usually between 1 to 2 weeks for employees with less than 1 year service. Employees on probationary periods normally do not by policy require advance notice to be given. However, practice indicates that probationary employees are usually held up to a maximum of one week before dismissal. On the other hand, temporary employees and those dismissed for conduct very rarely are given advance notice (Joseph, 1972; Paul, 1998).

Pay in lieu of notice should be according to terms and condition of service. The true reason for dismissal should be officially indicated on whatever form or document the company uses for this purpose. It should be clear cut and substantiated by adequate evidence. It is equally important that the dismissed employee know the reason for dismissal as officially stated by the company, since it will have direct bearing on whether he will be eligible for unemployment insurance. The reason he gives for dismissal is verified by the state Division of Employment, which in turn checks company records. This is the practice in a country where labor and employment issues are taken serious such as United States and United Kingdom (Betty, 2005).

It is imperative to note that courts sometimes hold managers personally liable for their supervisory actions, particularly with respect to actions covered by the fair labor standard Act and the Family and Medical Leave Act (James and Charles, 1994). The former defines employer to include "any person acting directly or indirectly in the interest of an employer in relation to any employee". This can mean the individual supervisor.

There are several ways to avoid personal liability. Managers should be fully familiar with applicable federal, state and local statutes and know how to uphold their requirements, follow company policies and procedures (since an employee may initiate a claim against an individual supervisor whom he or she alleges did not follow companies policies and procedures. (Edward, 2000). The essence of many charges according to Edward (2000) is that the plaintiff was treated differently from others, so consistent application of rule and regulation is important. He emphasized that

discipline should be administered in a manner that does not add to the emotional hardship on the employee as would dismissing them in the middle of the day, when they must publicly collect their belongings and leave the office).

Edward (2000) also stated that most employees will try to present their side of the story and allowing them to do so can provide the employee some measure of satisfaction. According to him, do not act in anger, since doing so undermines any appearance of objectivity. He advice that human resource department should be utilized for advice on how to handle difficult disciplinary matters.

Gillan (2000) stated that while some managers try to avoid arguments or hurting the terminated employee's feelings, not being honest can backfire. According to him, employee could have the right to go to court, when the stated reason for dismissal is found to be lie and unfair.

## RESEARCH DESIGN AND METHODOLOGY

**Methodology:** A cross sectional design was used in this study. A cross sectional design is explanatory and exploratory and entails collection of data to answer research questions and relationship among variables (Asika, 1991). It was used to collect data for hypothesis testing. Descriptive method of analysis was used to distribute the relevant research variables using percentages. Z-test statistics was used for hypothesis testing about proportions of one or two samples. Z-test statistics was used in hypothesis testing because of large samples.

**The population of sample size:** The population of study was made up of 828 staff of Afprint plc., and 918 staffs of Enpee plc. The entire size of population was 1746. The sample size was determined using Yamane (1964) formular which is stated as follow:

$$n = \frac{N}{1 + Ne^2}$$

where,

N = Population size

n = Sample size

e = Level of error

i = A theoretical constant

$$\frac{1746}{1 + 1746(0.05)^2} = 447$$

Calculation of stratum Allocation using Kumar (1976) techniques:

$$N_h = \frac{n \times N_H}{N}$$

where,

$n_h$  = Stratum allocation

n = Sample size

$N_H$  = Stratum population

N = Overall population

Stratum allocation for Afprint plc:

$$= \frac{447 \times 828}{1746} = 211.9$$

Stratum allocation for Enpee Plc:

$$= \frac{447 \times 918}{1746} = 235$$

Hence the sample size was 447 comprising 212 staff of Afprint plc and 235 staff of Enpee plc.

**Sampling technique:** The simple random sampling technique was used to ensure that every member of the population has an equal chance of being selected into the sample.

**Instrument for data collection:** The data used for this research was obtained using a carefully prepared questionnaire. A total of 447 questionnaires were distributed to staff of Afprint Textile plc and Enpee Textile plc, Lagos and 249 responses were collected. 123 responses were collected from Afprint textile plc. 126 responses were collected from Enpee Textile Plc. This represents 56% sample size of the population which is a good representation for the study. The response rate in Afprint and Enpee textile plc were 27.52 and 28.19%, respectively.

## DATA PRESENTATION AND ANALYSIS OF DATA

**Demographic analysis of data:** The Table 1 gives the features of respondents used in the research.

**Data analysis according to research questions:** Question 7 in the questionnaire instrument was used to answer the first research questions. Question 7 is which of the following is the major ground for dismissal of employee in your organization?

Misconduct e.g., stealing, lack of qualification for the job, change requirement of job, unsatisfactory performance and insubordination e.g., disobedience.

Misconduct was rated by (36.55%) of respondents as the major ground for dismissal. This was the highest percentage score in Table 2 and showed that misconduct was the major grounds for dismissal in the two companies. Insubordination had the next highest response of 28.51%, followed by lack of qualification (20.08%), unsatisfactory performance had 8.84%. The least response was change requirement of job (6.02%).

Comparison of the grounds for dismissal in Afprint Textile plc and Enpee Textile Plc question 7 in the

Table 1: Features of respondents

	Feature	Number of respondents	(%)
Sex	Male	160	64.26
	Female	89	35.74
	Total	249	100.00
Age bracket	Below 30 years	46	18.47
	30-39	92	36.95
	40-49	73	29.32
	50 and above	38	15.26
	Total	249	100.00
Education	Primary	31	12.45
	Secondary	61	24.50
	Post secondary	89	35.74
	University	68	27.31
Department	Total	249	100.00
	Administration	32	12.85
	Accounting	18	7.23
	Marketing	76	30.52
	Production	98	39.36
	Maintenance	25	10.04
Marital status	Total	249	100.00
	Married	159	63.86
	Single	90	36.14
	Widow	-	-
	Divorce/separated	-	-
	Total	249	100.00

Field survey (2005)

Table 2: Distribution of responses on the ground for dismissal

Variables	Number of respondents	(%)
Insubordination	71	28.51
Lack of qualification	50	20.08
Misconduct e.g., stealing	91	36.55
Unsatisfactory performance	22	8.84
Change of requirement of job	15	6.02
Total	249	100

Field survey (2005)

Questionnaire instrument was used to compare the response from Afprint Textile Plc and Enpee Textile Plc.

Question 7 is which of the following is the ground for dismissal in your organization? Misconduct e.g., stealing and chronic tardiness, lack of qualification for the job, change requirement of job, unsatisfactory performance and insubordination e.g., disobedience.

One hundred and twenty six respondents from Enpee plc which constitute 28.19% of response rate were asked to rate any of the variables in Table 3 they considered as the major ground for dismissal. The highest response was recorded on misconduct (38.10%), followed by insubordination (26.20%). Lack of qualification for the job and unsatisfactory performance had 21.40 and 9.50% respectively, while change requirement of the job had the least response (4.80%).

Table 3: Distribution of response on grounds for dismissal

Variables	Responses from enpee plc	(%)	Responses from afprint plc	(%)	Total responses
Insubordination	33	26.20	39	31.81	72
Lack of qualification	27	21.40	24	19.49	51
Misconduct e.g., stealing	48	38.10	45	36.60	93
Unsatisfactory performance	12	9.50	9	7.30	21
Change requirement of job	6	4.80	6	4.80	12
Total	126	100	123	100	249

Field survey (2005)

Similarly, one hundred and twenty three respondents from Afprint Plc which constitutes 27.52% response rate were asked to rate any of the variables in Table 3, they considered as the major ground for dismissal. The highest response was recorded on misconduct (36.60%), followed by in subordination (31.81%). Lack of qualification for the job and unsatisfactory performance had 19.47 and 7.30%, respectively. The least response was recorded on change requirement of job (4.80%).

Change requirement of job had the lowest response in both companies. The response rate followed the same pattern in the two companies when comparing misconduct e.g., stealing, insubordination and lack of qualification, unsatisfactory performance and change requirement of job. Both companies rated misconduct as the major ground for dismissal. The responses were 48 and 45, respectively. These figures represent 38.10 and 36.60%, respectively.

**Test of hypothesis:** The hypothesis of the study was formulated in form of Null ( $H_0$ ) and Alternate ( $H_A$ ) hypothesis. The data got from the questionnaire instruments had responses supporting either  $H_0$  and  $H_A$  hence test of proportion was used. Z-test Statistics was used because of large sample.

Test value of Z was computed thus:

$$Z = \frac{\frac{x}{n} - p}{\sigma p}$$

$$\sigma p = \sqrt{\frac{p(1-p)}{n}}$$

Z = Calculated Z-statistics value

X = Number of success sample

i.e., = No. of respondent supporting  $H_0$

n = Sample size

p = Hypothesized population proportion (probability) of  $H_0$  acceptance) 0.5

$\bar{p}$  or  $\frac{x}{n}$  = Sample proportion

$\sigma p$  = Standard error of proportion

The level of significance for the test is 95%. This makes the tabulated Z = (i.e.,  $Z_{\alpha}$ ) to be  $\pm 1.64$ . The acceptance region for the test becomes  $\pm 1.64$ .

**Decision rule:** Accept  $H_0$  if the value of computed  $Z$  falls within the acceptance region. Reject it and accept  $H_A$  if the value of computed  $Z$  falls outside the acceptance region.

### Hypothesis 1:

**H<sub>0</sub>:** The decision to dismiss should be made solely by one person without including immediate boss, the next higher authority in the absence of human resource manager.

**H<sub>A</sub>:** The decision to dismiss should not be made solely by one person but should include immediate boss, the next higher authority in the absence of the human resource manager.

Question 8 in the questionnaire instrument was used to collect data for testing hypothesis.

Question 8 is, it is not appropriate to make decision to dismiss by one person (the supervisor) excluding the immediate boss, the next higher authority in the absence of the human resource manager, is it?

The table showed that out of 249 respondents 183 (73.50%) agreed that it is not appropriate to dismiss by one person (the supervisor) excluding the immediate boss and the next higher authority, in the absence of the human resource manager. Sixty six 26.51% respondents believed that it is appropriate to make decision to dismiss with one person (the supervisor) excluding the immediate boss, the next higher authority, in the absence of the human resource manager.

Thus only 66 respondents supported the Null hypothesis  $H_0$ .

Let  $p$  stand for the probability that the inclusion of one person (the supervisor) the immediate boss and the next higher authority in the absence of the human resource manager have no significant effect on the decision to dismiss.

The sample size is 447.

**Formulation of hypothesis:** We formulated the null hypothesis that the number of success sample  $x$  is equal to 66  $H_0: x = 66$ .

The alternate hypothesis that the number of success sample  $x$  does not equal 66:

$$H_A: x \neq 66$$

$$Z = \frac{\frac{x}{n} - p}{\sigma p}$$

$$\sigma p = \sqrt{\frac{p(1-p)}{n}}$$

$$\sqrt{\frac{0.5(1-0.5)}{447}} = 0.023664$$

$$\frac{0.1465 - 0.5}{0.023664} = -14.89$$

**Decision:** Since  $z_{cal} (-14.89 < Z_{\alpha} (-1.64))$ , it falls outside the acceptance region, we reject the Null hypothesis and accept Alternate hypothesis  $H_A$ . Therefore, it is not appropriate to make decision to dismiss by one person (the supervisor) excluding the immediate boss, the next higher authority in the absence of the human resource manager. Decision to dismiss made without this appropriate body will be viewed as unfair and subjective and could lead to redress in court.

### Hypothesis 2:

**H<sub>0</sub>:** The grounds for dismissal should not be based on the company rules and regulations and on full explanation on why and how decision was made.

**H<sub>A</sub>:** The grounds for dismissal should be based on the company rules and regulations and on full explanation on why and how decision was made.

Question 9 in the questionnaire instrument was used to collect data for testing the second hypothesis.

Question 9 is, it is appropriate to base the ground for dismissal on the company rules and regulations and on full explanation on why and how decision was made.

The table showed that out of 249 respondents, 179 (71.89%) agreed that it is appropriate to base dismissal on company rules and regulations and full explanation on why and how decision was made. Seventy (28.11%) respondents believed that it is not appropriate to base dismissal on company rules and regulations and full explanation on why and how decision was made.

Thus only 70 respondents supported the Null Hypothesis  $H_0$ .

Let  $p$  stands for the probability that the grounds for dismissal based on the company rules and regulations and on full explanation on why and how decision was made had no significant effect on dismissal.

The sample size of the population is 447.

**Formulation of hypothesis:** We formulate the null hypothesis that the number of success sample  $X$  is equal to 70  $H_0: x = 70$ . The alternate hypothesis that the number of success sample  $x$  does not equal 70:

$$H_A: x \neq 70$$

$$Z = \frac{\frac{x}{n} - p}{\sigma p}$$

$$\sigma p = \sqrt{\frac{p(1-p)}{n}}$$

$$\sqrt{\frac{0.5(1-0.5)}{447}} = 0.023664$$

$$Z = \frac{0.15772 - 0.5}{0.023664} = -14.464$$



**Decision:** Since  $Z_{cal} (-14.46) < Z_{\alpha} (-1.64)$ . It falls outside the acceptance region. We reject the null hypothesis and accept alternate hypothesis. Therefore, it is appropriate to base dismissal on the company rules and regulations and on full explanation on why and how decision was made. Decision to dismiss not based on company rules and regulation will lead to wrong dismissal. And wrong dismissal will lead to litigation and retribution in court.

### Hypothesis 3:

**H<sub>0</sub>:** There should be no compliance of the contract arrangement stated by the employer when effecting dismissal.

**H<sub>A</sub>:** There should be compliance of the contract arrangement stated by the employer when effecting dismissal.

Question 10 in the questionnaire instrument was used to collected data for testing the third hypothesis.

Question 10 is, is it appropriate to comply with contract arrangement stated by the employer when effecting dismissal.

The table showed that out of 249 respondents, 204 (82%) agreed that it is appropriate to comply with contract arrangement stated by the employer when effecting dismissal. Forty five respondents believed that it is not appropriate to comply with contract arrangement stated with the employer before effecting dismissal. Thus only 45 respondents supported the Null Hypothesis H<sub>0</sub>.

Let p stand for the probability that complying with contract arrangement stated by employer when effecting dismissal has no significant effect on dismissal.

The sample size is 447.

**Formulation of hypothesis:** We formulate the null hypothesis that the number of success sample x is equal to 45 H<sub>0</sub>: x = 45.

The alternate hypothesis that the number of success sample x does not equal 45:

$$H_A: x \neq 45$$

$$Z = \frac{\frac{x}{n} - p}{\sigma p}$$

$$\sigma p = \sqrt{\frac{p(1-p)}{n}}$$

$$\sqrt{\frac{0.5(1-0.5)}{447}} = 0.023664$$

$$Z = \frac{0.100061 - 0.5}{0.023664} = -16.87$$

**Decision:** Since  $Z_{cal} (-16.87) < Z_{\alpha} (-1.64)$ . It falls outside the acceptance region. We reject the null hypothesis H<sub>0</sub> and accept alternate hypothesis H<sub>A</sub>. Therefore, it is appropriate to comply with the contract arrangement stated by the employer before effecting dismissal. Dismissal without recourse to contract arrangement stated by the employer, can lead to serious litigation and retrogression of the progress of the company.

### Hypothesis 4:

**H<sub>0</sub>:** The Security and comfort of the manager conducting dismissal should not be guaranteed to avoid disastrous consequences associated with firing someone.

**H<sub>A</sub>:** The Security and comfort of the manager conducting dismissal should be guaranteed to avoid disastrous consequences associated with firing someone.

Question 11 in the questionnaire instrument was used to collect data for testing hypothesis.

Question 11 is, is it appropriate to guarantee the security and comfort of manager conducting dismissal in order to avoid disastrous consequences associated with firing someone?

The table showed that out of 249 respondents 164 (65.86%) agreed that it is appropriate to guarantee the security and comfort of manager conducting dismissal in order to avoid disastrous consequences associated with firing someone. Eighty five (34.14%) believed that it is inappropriate to guarantee security and comfort of manager conducting dismissal in order to avoid disastrous consequences associated with firing someone.

Let p stand for the probability that guaranteeing the security and comfort of the manager conducting dismissal in order to avoid disastrous consequences associated with firing someone has no significant effect on dismissal.

**Formulation of hypothesis:** We formulate the null hypothesis that the number of success sample x is equal to 85 H<sub>0</sub>: x = 85.

The alternate hypothesis that the number of success sample x does not equal 85:

$$H_A: x \neq 85$$

$$Z = \frac{\frac{x}{n} - p}{\sigma p}$$

$$\sigma p = \sqrt{\frac{p(1-p)}{n}}$$

$$\sqrt{\frac{0.5(1-0.5)}{447}} = 0.023664$$

$$Z = \frac{0.19128 - 0.5}{0.023664} = -13.046$$

**Decision:** Since  $Z_{cal} (-13.05) < Z_{\alpha} (-1.64)$ . It falls outside the acceptance region. We reject the null hypothesis  $H_0$  and accept alternate hypothesis  $H_A$ . Therefore it is appropriate to guarantee security and comfort of the manager conducting dismissal in order to avoid disastrous consequences associated with firing someone. Employees resort to violence when they are dismissed. The security and comfort of the manager must be ensured otherwise subsequent dismissal exercise will stumble and fail, since the manager will be afraid of continuing the exercise.

### SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

**Summary of findings:** From the literature review and the result of the analysis done, the following findings were made:

- The ground for dismissal were misconduct, insubordination, lack of qualification for the job, unsatisfactory performance and change requirement of the job.
- Misconduct was found as the foremost ground for dismissal.
- One hundred and twenty six respondents from Enpee plc which constitute 28.19% of response rate were asked to rate any of the variables in Table 3 they considered as the major ground for dismissal. The highest responses was recorded on misconduct (38.10%), followed by insubordination (26.20%). Lack of qualification for the job and unsatisfactory performance had 21.40 and 9.50%, respectively; while change requirement of job had the least response (4.80%).

Similarly, one hundred and twenty three respondents from Afprint plc which constituted 27.52% of response rate were asked to rate any of the variables in Table 3, they considered as the major ground dismissal. The highest response was recorded on misconduct (36.60%); followed by insubordination (31.81%) lack of qualification for the job and unsatisfactory performance had 19.49 and 7.30%, respectively. The least response was recorded on change requirement of job (4.80%).

Change requirement of job had the lowest response in both companies. The response rate followed the same pattern in the two companies when comparing misconduct e.g., stealing, insubordination, lack of qualification, unsatisfactory performance and change requirement of job. Both companies rated misconduct as the major ground for dismissal of employee. The responses were 48 and 45 respectively. These figures represent 38.10 and 36.60%, respectively.

The variables that were hypothetically tested in the Table 4 to 7, as the critical factors responsible for Table 4: Distribution of responses to question 8

Nature of responses	No. of respondents	(%)
Yes	183	73.50
No	66	26.51
Total	249	100

Field survey (2005)

Table 5: Distribution of responses to question 9

Nature of responses	No. of respondents	(%)
Yes	179	71.89
No	70	28.11
Total	249	100

Field Survey (2005)

Table 6: Distribution of responses to question 10

Nature of response	No. of respondents	(%)
Yes	204	82
No	45	18
Total	249	100

Field survey (2005)

Table 7: Distribution of responses to question 11

Nature of responses	No. of respondents	(%)
Yes	164	65.86
No	85	34.14
Total	249	100

Field survey (2005)

fairness in managing dismissal had significant effect on dismissal and the variables were decision to dismiss, grounds for dismissal, compliance with contract arrangement, security and comfort of manager conducting dismissal:

- Table 4 showed that out of 249 respondents, 183 (75.50%) supported the alternate hypothesis ( $H_A$ ) on the first hypothesis, that it is not appropriate to dismiss by one person (the supervisor) excluding the immediate boss and next higher authority, in the absence of the human resource manager. Sixty six 66, (26.5%) respondents supported the null hypothesis  $H_0$  that it is appropriate to make decision to dismiss with one person (the supervisor) excluding the immediate boss, the next higher authority, in the absence of the human resource manager. The Z calculated statistics value  $(-14.89) < Z_{\alpha} (-1.64)$  fell outside the acceptance region. We reject the null hypothesis and accept the alternate hypothesis that it is not appropriate to make decision to dismiss by one person (the supervisor) excluding the immediate boss, the next higher authority in the absence of the human resource manager. Decision to dismiss made without this appropriate body will be viewed as unfair and subjective and could lead to redress in court.
- Table 5 showed that out of 249 respondents, 179 (71.89%) supported the alternate hypothesis ( $H_A$ ) on the second hypothesis, that it is appropriate to base dismissal on company rules and regulations

and full explanation on why and how decision was made. Seventy 70 (28.11%) respondents supported the null hypothesis ( $H_0$ ), that it is not appropriate to base dismissal on company rules and regulations and full explanation on why and how decision was made. The Z calculated statistics value  $(-14.46) < Z \alpha (-1.64)$  fell outside the acceptance region, we reject the null hypothesis and accept the alternate hypothesis that it is appropriate to base dismissal on the full explanation on why and how decision was made. Decision to dismiss not based on company rules and regulations will lead to wrongful dismissal. And wrongful dismissal will lead to litigations and retribution in court.

- Table 6 showed that out of 249 respondents, 204 (82%) supported the alternate hypothesis ( $H_A$ ) on the third hypothesis that, it is appropriate to comply with contract arrangement stated by the employer when effecting dismissal. Forty five (18%) of respondents supported null hypothesis ( $H_0$ ) that it is not appropriate to comply with contract arrangement stated with the employer before effecting dismissal. The Z calculated statistics value  $(-16.87) < Z \alpha (-1.64)$  fell outside the acceptance region. We reject the null hypothesis and accept the alternate hypothesis that it is appropriate to comply with the contract arrangement stated by the employer before effecting dismissal. Dismissal without recourse to contract arrangement stated by the employer, can lead to serious litigation and retrogression of the progress of the company.
- Table 7 showed that out of 249 respondents 164 (65.86%) supported the alternate hypothesis on the fourth hypothesis that, it is appropriate to guarantee the security and comfort of manager conducting dismissal in order to avoid disastrous consequences associated with firing someone. Eighty five (34.14%) supported null hypothesis that it is inappropriate to guarantee security and comfort of manager conducting dismissal in order to avoid disastrous consequences associated with firing someone. The Z calculated statistics value  $(-13.05) < Z \alpha (-1.64)$  fell outside the acceptance region. We reject the null hypothesis and accept the alternate hypothesis that it is appropriate to guarantee security and comfort of manager conducting dismissal in order to avoid disastrous consequences associated with firing someone. Employee resort to violence when they are dismissed. The security and comfort of the manager must be ensured otherwise subsequent dismissal exercise will stumble and fail, since the manager will be afraid of continuing the exercise.

**Conclusion:** The most drastic step an employer can take towards an employee is dismissal and such an

action is given careful consideration and lends credence to decision to dismiss in this research finding. The decision to dismiss must not be left at the purview of the supervisor alone but must include the immediate boss of the employee, the next higher authority in the absence of the human resource manager as accepted in the first hypothesis testing. Decision to dismiss made without the appropriate body will be viewed as unfair and subjective and can lead to redress in court. Also dismissal instituted without due consideration and appropriate decision can lead to litigation. There must be ground for dismissal as found in this study, such as misconduct, insubordination, lack of qualification for the job, unsatisfactory performance and change requirement of job. The grounds for dismissal must follow the laid down rules and regulations as accepted in second hypothesis testing and the contract arrangement stated by the employer as accepted in the third hypothesis testing, otherwise the dismissal will be deemed unfair and employees may seek retribution in court. Compliance with laid down rules and regulations and full explanation on why and how decision was made is inevitable, otherwise wrongful dismissal will arise and the employee dismissed will seek redress in court. Dismissal without recourse to contract arrangement stated by the employer can lead to series of litigations and this can affect the company financially and retrogress the progress of the company. Employees resort to violence when they are dismissed and as a result managers executing dismissal need protection. The security and comfort of the manager must be ensured otherwise subsequent dismissal will stumble and fail, since the manager will be afraid of continuing the exercise. Decision to dismiss not based on the critical factors responsible for fairness in managing employee dismissal as found in this research study will lead to wrongful dismissal and the attendant consequences.

#### **Recommendations:**

- In the event of lack of qualification for the job as the bases for dismissal, we recommend the employer should assign the person to another job he can do or retrain him.
- In the case of change requirement of job as a base for dismissal, we recommend the employer should retrain or transfer the employee, if all effort to salvage the employee in the present job fail, manager should take proper step in dismissing the employee.
- Employee should be given specified date to meet job requirement or standard performance in their warning letter, more especially those not on probation period.
- The dismissed employee should know the reason for dismissal as officially stated by the company,

since it will have direct bearing on whether he will be eligible for unemployment insurance, more especially in country where labor and employment issue are taken serious such as U.S.

- We advice that managers should be fully familiar with applicable Federal, State and Local statutes and know how to uphold their requirements to avoid personal liability to dismissal.
- We recommend that discipline should be administered in a manner that does not add to the emotional hardship on the employee.
- We recommend that the relevant authorities that will be executing dismissal must all participate to ensure fairness and objectivity.
- The company rules and regulations including contractual agreements by the employer must be obeyed during dismissal to avoid redress in court and series of litigations.
- Full explanation on why and how dismissal decisions were made must be communicated to the dismissed employee. They are more likely to perceive their dismissal as fair, endorse termination organization and indicate they will not take the past employer to court.
- We recommend instituting formal multistep procedure (including warning and neutral appeal process to foster fairness).
- All effort should be made to avoid wrongful dismissal suit and also to avoid fired people who feel embarrassed or that they are treated unfairly seeking retribution in court.
- Employee should be appraised in writing at least annually. If employee shows evidence of incompetence, give that person a warning and provide an opportunity to improve.
- Keep a careful confidential record of all actions such as employee appraisals, warnings or notices, memos outlining law improvement should be accomplished and so on.
- Avoid bad hiring by using effective selection practices including assessment tests, references and background checks, drug testing and clear job description to reduce need for many dismissals.
- If an employee is not meeting job goals, is not adhering to departmental or company rules or is not showing proper cooperative attitudes, all of which are danger signals pointing towards possible dismissals, the manager should salvage the situation by having frank discussion with the employee.

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