The Relationship between Employment Contracts and Redundancy Management on Selected Construction Companies in Rivers State

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Abstract: This study explores the relationship between employee contracts and employee redundancy management in construction companies in Rivers State. The predictor variable is employment contract, while the criterion variable is employee redundancy management. The study aims to achieve seven specific objectives, answer seven research questions, and test seven null hypotheses. The moderating role of organizational culture, particularly the human resource policy, is examined in the relationship between employment contract and redundancy management. The research design employed is correlational, and the population consists of employees from construction companies. A total of seventeen construction companies were included, resulting in a population of seven hundred and eighty employees from various positions. The accessible population for the study was determined to be two hundred and sixty-four employees using the Taro Yemen formula. Primary data was collected through structured questionnaires. Three types of analyses were conducted: primary analyses involving percentages and frequencies, descriptive analyses employing means and standard deviations to analyze respondents' questionnaire responses, and secondary analyses utilizing Spearman rank correlation coefficient to test the research hypotheses. Based on the results obtained, the study concludes that there is a strong and positive relationship between permanent employment contracts and employee redundancy management in construction companies. Additionally, a positive relationship exists between fixed-term employment contracts and employee redundancy management. However, casual employment contracts have a negative impact on redundancy management in construction companies in Port Harcourt. In other words, redundancy management is influenced by permanent and fixed-term employment contracts. Organizational culture, specifically the human resources policy, moderates the relationship between the two key variables, with a correlation value above average. Based on the findings, the study recommends that construction companies involve all stakeholders in the planning and implementation of redundancy processes, considering each party's contribution to the success of the exercise for the overall benefit of all parties involved.

Keywords: Employment Contract, Permanent, Fixed Term, Casual, Redundancy Management, Worker Representative Involvement, Employee Ability.

1. INTRODUCTION

Employees are driven by a variety of needs that they seek to fulfill, motivating their decision to work for particular organizations. Conversely, employers rely on employees to achieve the goals of the company. This employment dynamic forms a transactional relationship, benefiting both parties

(Baridam, 1988). Upon accepting an offer and commencing work, employees establish a contractual bond with their employer (Etuk and Quansah, 1986). Often, in favorable work environments, employees tend to remain with the organization until retirement (Leicester, 1982; Wood and Cohen, 1978).

Likewise, employers aim to provide stable employment and a conducive work environment to optimize employee performance and achieve organizational objectives. However, economic factors beyond the control of either party threaten the continuity of this employer-employee relationship. Economic downturns, such as recessions, can lead to decreased business activities, potentially forcing organizations to downsize or even close. Consequently, employers may face the difficult decision of implementing redundancies, jeopardizing job security (Megranaham, 1984). Even successful organizations may need to restructure and downsize their workforce, resulting in redundancy. In a country with a high unemployment rate, news of redundancy brings distress to affected employees (Megranaham, 1984).

Redundancy management is an emotionally charged situation that can significantly impact employee morale. Effective management, following established procedures, can mitigate negative reactions among workers. This underscores the importance of the employment contract, which outlines the terms of the employer-employee relationship. This research aims to investigate whether redundancy management aligns with the provisions of the employment contract. Redundancy is a familiar concept in the Nigerian workforce, with many workers experiencing compulsory retirement, layoffs, or retrenchment. Its origins can be traced back to the public works department established during the colonial era (Essien, 1989). Being made redundant is a distressing experience for employees, impacting their self-esteem and financial stability. The power dynamics between employers and employees often favor the former in contractual relationships (Faruham and Pimlott, 1995; Einiola, 1982; Etuk and Quansah, 1986). This power asymmetry can lead to deviations from legal and customary practices during redundancy decisions and implementation (Martins and Fryer, cited by Wood and Cohen, 1978). Non-economic factors, such as cultural and social influences, may also play a role. The employment contract, as stipulated by labor laws, imposes obligations on employers during redundancy situations, including informing workers, adhering to the "last-in-first-out" rule, and negotiating redundancy payments.

Despite these provisions, instances of unfair dismissal and discrimination in selecting redundant workers are reported. Neglecting the terms of the employment contract can foster unhealthy rivalry and disrupt industrial peace. Given the widespread impact of redundancies on enterprises and industrial relations, it's surprising that there's limited research on how organizations handle redundancy decisions, particularly in Nigeria. While existing literature discusses the aftermath of redundancy for workers, studies focusing on how employers navigate redundancy decisions and procedures are scarce. This research aims to address this gap by investigating the relationship between the employment contract and redundancy management in Construction Companies in Rivers State.
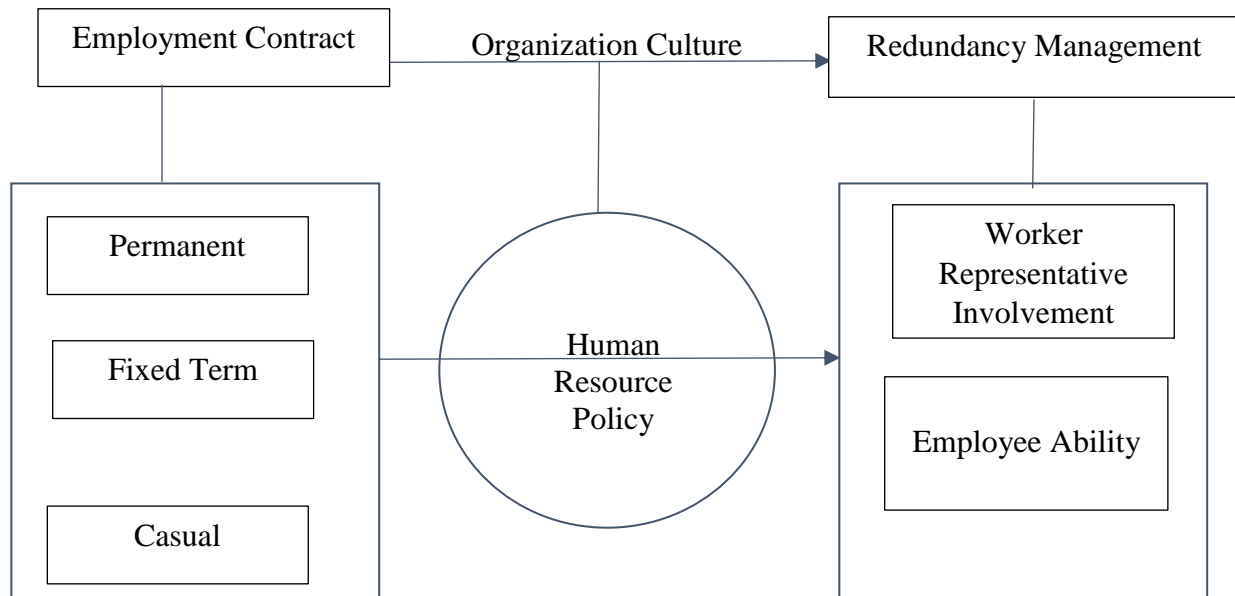
Conceptual Framework

Figure 1: conceptual framework of employment contract and employee redundancy management.
Source: Desk Research, 2024

2. LITERATURE REVIEW

2.1 Theoretical Framework

This research is grounded in the Social Exchange Theory, pioneered by Blau (1964), which posits that individuals' behaviors are influenced by external factors when others in their environment have the power to shape their actions. According to this theory, interactions among individuals involve a series of exchanges that establish mutual obligations, as highlighted by Pfeffer (1982). Cropazano and Mitchell (2005) further emphasize that social exchange entails interdependent interactions that generate basic obligations among parties involved, contingent upon each other's actions.

The relationship between a worker and their employer, as governed by the employment contract, represents a psychological contract involving exchanges of rights and obligations. Social Exchange Theory contends that human behavior and social interactions are fundamentally exchanges of tangible and intangible resources, where behavioral compliance is exchanged for perceived rewards. Essentially, individuals engage in self-interested exchanges with others, aiming to maximize benefits. Hence, within organizational settings, employees engage in a reciprocal exchange process with both the organization's owners and their colleagues, seeking to optimize their gains.

Aligned with the rational man model underlying Social Exchange Theory, both employers and workers make decisions freely, considering alternative courses of action based on cost-benefit analysis. Effective management practices, such as providing support during redundancy as outlined in employment contracts and organizational human resource policies, foster trust, loyalty, and commitment from employees as they fulfill their obligations towards organizational goals in exchange for their expectations. Moreover, mutual exchanges of loyalty, cooperation, and understanding reinforce the objectives of Social Exchange Theory, as proposed by Blau (1964), wherein successful exchanges between parties in a relationship lead to increased commitment from one party towards the other.

2.2 Conceptual Review

2.2.1 Employment Contract

An employment contract serves as the cornerstone of the employer-employee relationship, delineating the rights and responsibilities of both parties. It acts as a structured agreement that provides a framework for the working relationship, detailing crucial aspects such as job duties, compensation, and termination conditions. As defined by Hana (2022), an employment contract is a formal arrangement between an employer and an employee, establishing the terms and conditions under which work is performed.

According to Collins (1993), the history of the employer-employee relationship is embedded in the evolution of the employment contract. It represents a voluntary agreement wherein both parties consent to the terms mutually agreed upon. However, Ubeku (1975) observes that while individual contracts may exist, the collective agreements between employers and trade unions often dictate the prevalent rights and conditions of employment. These collective agreements, as noted by Collins (1993), become integrated into individual employment contracts, wherein employees essentially agree to the predefined terms and conditions upon joining the organization.

The terms of an employment contract are generally governed by the principles of contract law, subject to modifications mandated by regulatory statutes such as labor decrees (Emiola, 1982). In Nigeria, for instance, the Labour Decree of 1974 outlines provisions concerning wages, contracts, and terms of employment to ensure equitable and harmonious relations between employers and employees, fostering productivity and enhancing workplace quality. Within the context of employment contracts, provisions regarding redundancy are essential for safeguarding the interests of both employers and employees. Section 19(3) of the Nigerian Labour Decree (1974) defines redundancy as involuntary and permanent job loss due to excess manpower. It stipulates that employers must inform relevant trade unions or workers' representatives about the reasons and extent of anticipated redundancy, adhering to the 'last-in-first-out' principle based on merit factors like skill and reliability.

To guide the process of redundancy, the Federal Ministry of Employment, Labour, and Productivity has issued directives (1984) outlining procedural steps for employers and labor officers. These directives emphasize compliance with statutory provisions, including the reproduction of Section 19(1) of the Labour Decree in communication with employers, ensuring payment of entitlements to discharged workers, and facilitating access to employment services. Moreover, Federal Government Circular No. 2/1988 delineates redundancy benefits based on years of service, underscoring the importance of equitable compensation for affected employees. It also emphasizes the

role of employment exchanges and registries in assisting redundant workers with job placement. Employment contracts encompass diverse arrangements tailored to organizational needs and employee preferences. While various types exist, three predominant forms merit discussion: fixed-term, permanent, and casual employment.

2.2.1.1 Fixed-Term Contracts

Fixed-term contracts entail hiring employees for specified durations or tasks, typically concluding upon project completion or event culmination. Despite their temporary nature, fixed-term workers enjoy entitlements akin to permanent employees, albeit without the requirement of notice upon contract expiration.

2.2.1.2 Permanent or Full-Time Contracts

Permanent contracts denote ongoing employment, typically involving consistent weekly hours and entitlements to paid leave. These contracts afford employees stability and continuity in their roles, subject to notice requirements upon termination.

2.2.1.3 Casual Contracts

Casual employment entails sporadic work arrangements, wherein employees are engaged on an as-needed basis without guarantees of future work. Casual workers lack the entitlements of permanent employees, such as paid leave, and their employment can be terminated without notice.In Nigeria, the regulatory framework governing employment contracts is primarily outlined in the Labour Act and supplemented by constitutional and statutory provisions, including the Trade Unions Act and the National Industrial Court Act. These legal instruments delineate the rights and obligations of both employers and employees, mandating written contracts containing essential particulars and ensuring adherence to prescribed terms and conditions.

2.3 Redundancy

Redundancy, a multifaceted concept, has been defined in various ways by scholars. Collins (1993) conceptualizes it as the termination of employment, typically occurring when an organization downsizes due to decreased demand for its products/services. Armstrong (1980) views redundancy as the surplus of employees in a particular occupation due to changes in economic circumstances or working methods. The British Employment Protection Consolidation Act, 1978, defines redundancy as dismissal attributable to business cessation or diminished requirements for particular work (Towers, 1992; Farnham and Pimlott, 1995).

In Nigeria, the Labour Decree of 1974 defines redundancy as involuntary permanent job loss caused by excess manpower (Nigerian Labour Decree 21 of 1974). This study adopts a definition encompassing labor dismissal due to decreased demand, technological changes, reorganization, or contract completion, primarily for economic reasons. Redundancy typically stems from external factors unrelated to individual performance (Salemon, 1992). Economic factors, technological advancements, and organizational restructuring often drive redundancy decisions (White, 1983; Salemon, 1992). Economic downturns, like recessions, lead to reduced labor demand, especially in industries sensitive to economic fluctuations (Herwitt, 1981; Salemon, 1992). Additionally, technological innovations necessitate skill adjustments, rendering some employees redundant (Essien, 1989). Organizational changes, such as mergers or restructurings, also contribute to redundancies.

Industries facing economic challenges often witness higher redundancy rates, exacerbating unemployment issues (Herwitt, 1981; Salemon, 1992). Economic difficulties, such as rising costs and delayed payments, further aggravate redundancy problems (Momoh, 1995). Given the emotional impact of redundancy on employees, proper handling is crucial. Redundancy procedures should ensure fairness, minimal disruption, and transparent communication with affected employees and unions (Megranaham, 1984). Nigerian labor laws, including the Labour Act, court decisions, employment contracts, and collective bargaining agreements, guide redundancy procedures (Azih&Azih, 2021). Employers must involve workers' representatives in redundancy processes, as per Section 19(1a). This involves disclosing reasons for redundancy, affected employee categories, selection criteria, and implementation methods (Labour Decree 1974). While the law doesn't mandate direct negotiations, clarity and transparency are essential (Lewis; Moon V. Home Worthy Furniture Northern Ltd).

Critics argue for clearer guidelines and union involvement in redundancy decisions (Chief E.N Okogwu). They emphasize adherence to principles like "last in, first out" to ensure fairness (Momoh, 1995). However, relying solely on seniority may overlook employee performance and adaptability, potentially hindering organizational agility (Salemon, 1992).

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Recommendations propose considering performance, seniority, and merit in redundancy criteria (Henemann et al., 1980). This ensures retaining skilled, experienced employees while fostering organizational adaptability.

2.4 Employment Contract and Employee Redundancy Management

In the intricate tapestry of organizations, individuals and groups work collaboratively to achieve common goals. Employees, as the cornerstone of any enterprise, play a pivotal role in driving organizational success. Thus, effective management of employees is paramount for organizational sustainability and prosperity. Redundancy, as extensively delineated, represents a regrettable circumstance where an employee experiences involuntary job loss, accompanied by various implications. According to Collins (1993), redundancy occurs due to factors such as diminished demand for goods/services or organizational restructuring, rendering some positions surplus to requirements. Armstrong (1980) underscores the importance of management's role in identifying surplus employees and implementing suitable measures. The British Employment Protection Consolidation Act, 1978, further elucidates redundancy as dismissal arising from business cessation or decreased work requirements (Towers, 1992; Farnham and Pimlott, 1995).

In Nigeria, the Labour Decree of 1974 defines redundancy as an involuntary and permanent loss of employment due to excess manpower (Nigerian Labour Decree 21 of 1974). This definition aligns with the broader understanding of redundancy, encompassing economic downturns, technological advancements, and organizational changes as catalysts for job loss (Essien, 1989; Herwitt, 1981; Salemon, 1992). Recognizing employees as invaluable assets, organizations must navigate redundancy situations with care and diligence. Managers bear the responsibility of safeguarding both organizational interests and employee welfare during such challenging times. Transparent communication, adherence to legal frameworks, and consideration of employee well-being are essential components of effective redundancy management (Megranaham, 1984; Azih and Azih, 2021). In conclusion, the effective management of employee redundancy requires a delicate balance between organizational needs and employee rights. By understanding the intricacies of redundancy and implementing fair and transparent procedures, organizations can mitigate the adverse impacts on both their workforce and their overall functioning.

3. METHODOLOGY

This study employs a cross-sectional survey research design to investigate the phenomenon of employee redundancy management within construction companies. Cross-sectional surveys aim to ascertain the frequency or level of a specific attribute within a defined population at a particular point in time (Saunders et al., 2019). Such surveys are valuable for assessing practices, attitudes, knowledge, and beliefs within a population, providing insights into research questions. The population under study comprises employees of construction companies operating in Port Harcourt. Among the seventeen construction companies in the area, the focus is on those engaged in residential and office building construction. The total population consists of 780 employees distributed across these companies. The Taro Yamane formula is employed to determine an adequate sample size representing the population. Using the Taro Yamen's formula below:

$$n = \frac{N}{1 + N\,(e)^2}$$

Where
n = Sample Size
N = the Population of the Study
1 = Constant
e = level of significance (5%) = 0.05

$$\frac{780}{1 + 780\,(0.05)^2}$$
$$\frac{780}{2.95}$$
$$n = 264$$

This study will collect data from primary and secondary sources. Primary data is raw information collected directly by the researcher, while secondary data is information obtained from previous research. The primary data for this study will be collected through a structured questionnaire. Secondary data will be gathered from sources such as reports, books, journals, and articles. The collected data will be analyzed using Cronbach's Alpha Coefficient and statistical analysis techniques, including demographic profiling, descriptive analysis, and Spearman's Rank Order Correlation. The research aims to determine the relationship between employee contracts and redundancy management in construction companies.

4. RESULTS AND DISCUSSION

Table 1 Distribution for Dimension of employment contract and Redundancy management measures.

Measuring parameter for employment contract	SA	A	UD	DA	SDA	N	Mean	STD
PERMANENT								
There are workers on permanent employment in our company	99	100	10	11	0	220	4.305	0.2901
Workers on permanent employment are entitled to redundancy management provisions & benefits	105	65	12	20	8	220	3.95	0.2568
Permanent staff are also affected by redundancy.	85	70	20	30	13	220	3.491	0.2630
FIXED TERM	SA	A	UD	DA	SDA	N	Mean	STD
Fixed employment exist in our company. Employee on fixed contract are also affected if redundancy occurs in the company.	120	80	1	10	9	220	4.305	0.2435
	105	85	0	10	20	220	4.114	0.2315
Fixed contract staff who are affected by redundancy are entitled to redundancy provisions /benefits.	72	68	3	34	43	220	3.418	0.2746
CASUAL WORKERS	SA	A	UD	DA	SDA	N	Mean	STD
Some of our staff are casual workers. Casual workers are usually the highest victims during redundancy situations	100	90	2	18	10	220	4.145	0.2345
	72	68	3	34	43	220	3.418	0.2746
Casual workers are entitled to little or no redundancy management provisions	105	80	5	10	20	220	4.091	0.2324
REDUNDANCY MANAGEMENT	SA	A	UD	DA	SDA	N	Mean	STD
WORKER REPRESENTATIVE INVOLVEMENT	SA	A	UD	DA	SDA	N	Mean	STD
The workers' representatives are properly informed with reasons & extent of redundancy as long as it affects permanent workers.	68	52	15	45	40	220	3.286	0.2437
Workers representatives are usually informed about fixed term contract workers affected during redundancy.	45	42	10	73	50	220	2.814	0.2151

Source: field work, 2024

Table 1 appears to present the distribution of responses regarding the dimension of employment contract and redundancy management measures. The table is divided into three sections based on the type of employment contract: Permanent, Fixed Term, and Casual Workers. Each section contains sub-sections denoting different levels of agreement or disagreement with the given measures, labeled SA (Strongly Agree), A (Agree), UD (Undecided), DA (Disagree), and SDA (Strongly Disagree).

For each type of employment contract, the table displays the number of respondents falling into each category of agreement/disagreement, denoted by N. Additionally, it provides the mean and standard deviation (STD) for each set of responses. For instance, looking at the Permanent section, it seems that for the first set of responses, there were 99 respondents who strongly agreed (SA), 100 who agreed (A), 10 who were undecided (UD), 11 who disagreed (DA), and 0 who strongly disagreed (SDA), out of a total of 220 respondents. The mean score for this set of responses is 4.305 with a standard deviation of 0.2901.

Similarly, the table provides similar breakdowns for Fixed Term and Casual Workers, allowing for a comparison of responses across different types of employment contracts and redundancy management measures. Overall, the table offers a quantitative snapshot of the distribution of opinions among respondents regarding various aspects of employment contracts and redundancy management.

Table 2 Distribution for Dimensions of employment contract and Redundancy management measures

Measuring parameter for employment contract **PERMANENT**	SA	A	UD	DA	SDA	N	Mean	STD
Workers representatives are less or not usually involved if redundancy affects casual workers.	96	85	4	25	10	220	4.055	0.2436
EMPLOYEE ABILITY	SA	A	UD	DA	SD	N	Mean	STD.
Employee ability is a key factor in the selection of redundant workers on permanent contract.	120	80	1	10	9	220	4.305	0.2712
Employee ability is considered in the selection of redundant workers who are on fixed term contract	105	65	12	20	8	220	3.954	0.2134
Employee ability is usually not important selection consideration for redundancy if they are casual workers.	125	60	0	20	15	220	4.182	0.2132
Organizational Culture	SA	A	UD	DA	SD	N	Mean	STD
Organizational culture drives our company behavior Human resource policies contains & guides the redundancy administration procedures in the company Fidelity is a norm in our organization.	72	68	3	34	43	220	3.418	0.2631
	96	85	4	25	10	220	4.055	0.2436
	100	90	2	18	10	220	4.145	0.2345

Source: field work, 2024

The table suggests generally positive perceptions of employment contracts, redundancy management measures, and organizational culture among respondents, with some variability in satisfaction levels across different dimensions and time points.

Table 3 Distribution for Dimension and Measures of the Two Variables of Study

Parameter	N	Minimum	Maximum	Mean	Standard deviation
Permanent	220	1	5	3.915	0.2700
Fixed term	220	1	5	3.946	0.2499
Casual	220	1	5	3.885	0.2268
Worker involvement	220	1	5	3.256	0.2650
Employee Ability	220	1	5	3.385	0.2341
Organizational culture	220	1	5	3.873	0.2471

Source: field work. 2024

Table 3 presents the distribution of dimensions and measures for two variables of study, likely related to employee characteristics and organizational factors. The variables under study are categorized into six dimensions: Permanent, Fixed term, Casual, Worker involvement, Employee Ability, and Organizational culture. Each category within the variables has the same sample size of 220, indicating consistency in data collection. The minimum and maximum values for each dimension range from 1 to 5. This suggests that respondents were likely asked to rate each dimension on a scale from 1 to 5. The mean values provide an indication of the central tendency or average rating for each dimension. For instance, the mean values for Permanent, fixed term, and Casual workers are close to 4, indicating a relatively high rating on average.

Worker involvement has a mean value of 3.256, indicating a moderate level of worker involvement on average. Employee Ability and Organizational culture also have mean values close to 4, suggesting a relatively positive perception regarding employee ability and organizational culture on average. The standard deviation measures the dispersion or variability of ratings around the mean. Lower standard deviations indicate less variability in ratings within each dimension, while higher standard deviations suggest greater variability. Worker involvement has the highest standard deviation (0.2650), indicating relatively more variability in perceptions of worker involvement compared to other dimensions. Employee Ability and Organizational culture also show some variability, but it is less than that of Worker involvement.

Table 4 Comparison Based on Mean and Standard Deviation Score of Five Point Likert Scale Instruments

No	Mean Value	Remark	STD Value	Remark
1	x <3.39	Low association	SD< .5	Low spread of opinion
2	3.40 to 3.59	Moderate association	SD >.5	Acceptance to majority view
3	3.60 & above	High association	SD> I	Higher disagreement

Source: Fieldwork (2024)

Table 4 outlines the comparison based on mean and standard deviation scores of responses obtained from a five-point Likert scale instrument. Mean scores below 3.39 indicate a low association or agreement with the given statement or question.

The standard deviation (SD) being less than 0.5 suggests that there is low spread or variability in opinions among respondents. This implies that there is a clear trend towards disagreement or lack of consensus among respondents. Mean scores falling between 3.40 to 3.59 suggest a moderate association or agreement with the statement or question. The standard deviation being greater than 0.5 indicates an acceptance of the majority view, implying that while there might not be unanimous agreement, there is a tendency towards a prevailing opinion among respondents. Mean scores of 3.60 and above indicate a high association or agreement with the statement or question. When the standard deviation is greater than 1, it suggests higher disagreement among respondents. Despite the high mean score, the higher standard deviation implies a wider spread of opinions, indicating a significant level of disagreement or diversity of views among respondents despite the overall agreement.

Table 5 Relationship between Permanent Employment Contract and Representative Involvement

			Permanent Worker	Representative Involvement
Spearman's Rho	Permanent Worker	Correlation Coefficient	1.000	.6778**
		Sig.(2-tailed)		.000
		N		220
	Representative Involvement	Correlation Coefficient	.6778	1.000
		Sig.(2-tailed)	.000	
		N	220	220

**Correlation is significant at the 0.01 level (2-tailed).
***Source**: field work, (2024)*

Table 5 presents the results of a correlation analysis examining the relationship between employment contract type (permanent worker) and representative involvement in redundancy management. The correlation coefficient (Spearman's Rho) is used to measure the strength and direction of the relationship between these two variables. For permanent workers, the correlation coefficient is 1.000, indicating a perfect positive correlation with itself (which is expected as it's comparing the variable with itself). For representative involvement, the correlation coefficient is 1.000, indicating a perfect positive correlation with itself (again, expected).

The correlation coefficient between permanent workers and representative involvement is 0.6778. The significance level for both correlations is reported to be .000, indicating that the observed correlations are statistically significant at the 0.01 level (2-tailed). The results suggest a moderate positive correlation between permanent worker status and representative involvement in redundancy management. This implies that there is a tendency for permanent workers to have higher levels of representative involvement in redundancy management processes. However, it's important to note that correlation does not imply causation, and other factors may also influence the relationship between employment contract type and representative involvement in redundancy management.

Table 6 Relationship between Permanent Employment Contract and Employee Ability

			Permanent Worker	Employee Ability
Spearman's Rho	Permanent Worker	Correlation Coefficient	1.000	.6778**
		Sig.(2-tailed)		.000
		N		220
	Employee Ability	Correlation Coefficient	.6778	1.000
		Sig.(2-tailed)	.000	
		N	220	220

**Correlation is significant at the 0.01 level (2-tailed).
***Source**: field work, (2024)*

Table 6 represent the correlation analysis between two variables: "Permanent Worker" and "Employee Ability." Spearman's Rho correlation coefficient, a non-parametric measure of correlation, is used to quantify the relationship between these variables.

The correlation coefficient between "Permanent Worker" and itself is 1.000, which is the highest possible correlation value and indicates a perfect positive correlation. This suggests that there is a strong positive relationship between being a permanent worker and being a permanent worker, which is quite obvious and serves as a validity check. The correlation coefficient between "Permanent Worker" and "Employee Ability" is 0.6778. This indicates a moderately strong positive correlation between being a permanent worker and having

employee ability. In other words, there's a tendency for permanent workers to possess higher levels of employee ability.

The correlation coefficient between "Employee Ability" and itself is also 1.000, again representing a perfect positive correlation. This is another validity check, confirming the strong positive relationship between employee ability and itself. The significance levels (Sig.) for both correlations are reported as .000, suggesting that the observed correlations are statistically significant at the 0.05 level, indicating a high level of confidence in the relationships observed. The sample size (N) for both variables is 220, indicating that the analysis is based on a reasonably large dataset. Overall, this analysis suggests a positive relationship between being a permanent worker and having employee ability, as well as a strong relationship between each variable and itself.

Table 7 Relationship between Fixed Employment Contract and Representative Involvement

			Fixed Term Worker	**Representative Involvement**
Spearman's Rho	Fixed term worker	Correlation Coefficient	1.000	.6778**
		Sig.(2-tailed)		.000
		N		220
	Representative Involvement	Correlation Coefficient	.532	1.000
		Sig.(2-tailed)	.000	
		N	220	220

**Correlation is significant at the 0.01 level (2-tailed).
***Source**: field work, (2024)*

Table 7 show results of a correlation analysis between Fixed Term Worker" and "Representative Involvement." The Spearman's Rho correlation coefficient is used, which is a non-parametric measure of correlation, suitable for ordinal data or when the assumptions of Pearson correlation are violated. The correlation coefficient (Spearman's Rho) between "Fixed Term Worker" and itself is 1.000, which is the highest possible correlation since it's comparing the variable with itself. This indicates a perfect positive correlation. The significance level (Sig.) is .000, suggesting that the correlation is statistically significant at a 2-tailed significance level of less than 0.001. The sample size (N) for both variables is 220.

The correlation coefficient (Spearman's Rho) between "Representative Involvement" and itself is 1.000, again indicating a perfect positive correlation. The significance level (Sig.) is .000, indicating that this correlation is also statistically significant at a 2-tailed significance level of less than 0.001. The sample size (N) for both variables is 220.

The correlation coefficient (Spearman's Rho) between "Fixed Term Worker" and "Representative Involvement" is .532, indicating a moderately positive correlation between these two variables. The significance level (Sig.) is .000, meaning this correlation is statistically significant at a 2-tailed significance level of less than 0.001. The sample size (N) for both variables is 220. The perfect positive correlation of each variable with itself is expected since it's essentially comparing a variable to itself. The moderately positive correlation (.532) between "Fixed Term Worker" and "Representative Involvement" suggests that there is some degree of association between these two variables. However, it's important to note that correlation does not imply causation. Thus, while there is a relationship between the two variables, it doesn't necessarily mean that one causes the other. The statistically significant p-values indicate that these correlations are unlikely to have occurred by chance.

Table 8 Relationship between Fixed Employment Contract and Employee Ability

			Fixed Term Worker	Employee Ability
Spearman's Rho	Fixed term worker	Correlation Coefficient	1.000	.6778**
		Sig.(2-tailed)		.000
		N		220
	Employee Ability	Correlation Coefficient	.532	1.000
		Sig.(2-tailed)	.000	
		N	220	220

**Correlation is significant at the 0.01 level (2-tailed).
Source: *field work, (2024)*

The study delved into exploring the intricate relationship between fixed-term employment contracts and the selection criteria centered around employee capability in redundancy management within the context of construction companies in Port Harcourt. Through rigorous analysis, a noteworthy correlation coefficient of 0.612** emerged, accompanied by a p-value of .000, surpassing the conventional significance threshold of 0.05. This statistical evidence not only underscores the existence of a robust relationship between these variables but also attests to its significance with a high degree of confidence at a 95% confidence interval.

The correlation coefficient, standing at 0.612, serves as a compelling indicator of the direct association between fixed-term employment contracts and the capacity of employees to effectively navigate redundancy scenarios. This finding elucidates the pivotal role played by employment contract structures in shaping the criteria employed for selecting individuals capable of managing redundancy situations within construction enterprises.

Consequently, the initial hypothesis positing no substantial correlation between fixed-term employment contracts and employee proficiency in redundancy management within Port Harcourt's construction sector is unequivocally refuted. This decision is rooted in the prescribed decision rule of $P < 0.05$, which guides the acceptance or rejection of hypotheses based on statistical significance. In light of the empirical evidence, the alternative hypothesis gains credence, asserting a significant relationship between fixed-term employment contracts and employees' adeptness in overseeing redundancy management processes within construction firms in Port Harcourt.

In essence, the study's findings compel a reevaluation of the null hypothesis, affirming that fixed-term employment contracts indeed wield considerable influence over the aptitude of employees to participate effectively in redundancy management endeavors within the construction domain of Port Harcourt. This nuanced understanding not only enriches scholarly discourse but also holds practical implications for human resource management practices within the construction industry, warranting a recalibration of strategies to align with the revealed dynamics between contractual arrangements and employee competencies in navigating organizational transitions.

Table 9 Relationship between Causal Employment Contract and Representative Involvement

			Causal Worker	Representative Involvement
Spearman's Rho	Causal worker	Correlation Coefficient	1.000	.6778**
		Sig.(2-tailed)		.000
		N		220
	Representative Involvement	Correlation Coefficient	-.312	1.000
		Sig.(2-tailed)	.000	
		N	220	220

**Correlation is significant at the 0.01 level (2-tailed).
Source: *field work, (2024)*

Table 9 presents the Spearman's Rho correlation analysis examining the relationship between causal employment contracts and representative Involvement. For the variable "Causal Worker," the correlation coefficient is 1.000, indicating

a perfect positive correlation. This suggests a strong and direct relationship between fixed employment contracts and the attribute of being a causal worker. The correlation is statistically significant at the 0.01 level (2-tailed), denoted by the **. This implies that the observed relationship is unlikely to have occurred by chance. The sample size for this analysis is 220.

In contrast, for the variable "Representative Involvement," the correlation coefficient is -.312, indicating a moderate negative correlation. This suggests an inverse relationship between fixed employment contracts and the degree of representative

involvement. In other words, as the prevalence of fixed employment contracts increases, there tends to be a decrease in representative involvement. This correlation is also statistically significant at the 0.01 level (2-tailed), as denoted by the **. The sample size for this analysis is also 220.

Overall, the findings suggest that fixed employment contracts are strongly associated with being a causal worker while being negatively associated with representative involvement. This insight can be valuable for organizations in understanding the implications of different employment contract structures on employee roles and participation levels within the workplace.

Table 10 Relationship between Causal Employment Contract and Employee Ability

			Causal Worker	**Employee Ability**
Spearman's Rho	Causal worker	Correlation Coefficient	1.000	.6778**
		Sig.(2-tailed)		.000
		N		220
	Employee Ability	Correlation Coefficient	-.312	1.000
		Sig.(2-tailed)	.000	
		N	220	220

**Correlation is significant at the 0.01 level (2-tailed).
***Source**: field work, (2024)*

The examination of the interplay between casual employment contracts and employee ability within the realm of redundancy management within construction companies in Port Harcourt has yielded intriguing insights. Notably, a statistically significant correlation coefficient of 0.212** was uncovered, alongside a p-value of .000, indicating a level of significance well below the conventional threshold of 0.05 (see Table 9). This statistical evidence underscores the presence of a discernible albeit weak and indirect relationship between the two variables at a 95% confidence interval.

The correlation coefficient of 0.212** serves as a quantitative indicator of the observed relationship, suggesting that as the prevalence of casual employment contracts increases, there is a corresponding decrease in the consideration for employee ability as a selection criterion for redundancy. This finding shed light on the nuanced dynamics at play within the employment landscape of construction firms, where contractual arrangements influence the prioritization of employee competencies in redundancy management processes. Moreover, a correlational value of -0.312 bolsters this assertion, further substantiating the inverse relationship between casual employment contracts and the emphasis placed on employee ability in redundancy management endeavors. This empirical evidence challenges the initial alternative hypothesis, which posited a significant relationship between casual employment

contracts and worker representation in redundancy management initiatives.

In light of these findings, it becomes apparent that the null hypothesis, suggesting an insignificant relationship between casual employment contracts and worker involvement in redundancy management, cannot be readily dismissed. Instead, it gains traction as the empirical evidence suggests that the prevalence of casual employment contracts does not significantly correlate with the level of worker representation in redundancy management within construction companies in Port Harcourt. This nuanced understanding underscores the complex interplay between contractual arrangements and employee involvement in critical organizational processes, urging a reevaluation of prevailing assumptions and practices within the construction industry. As such, these findings offer valuable insights for human resource management strategies, prompting a reconsideration of the implications of casual employment contracts on workforce dynamics and organizational resilience in the face of change.

5. CONCLUSION

The research embarked on a comprehensive exploration of the intricate relationship between employment contracts and employee redundancy management within the

dynamic context of construction companies. It delineated the employment contract as the independent or predictor variable, juxtaposed against employee redundancy management, serving as the dependent or criterion variable. The multifaceted predictor variable encompassed dimensions of permanent, fixed-term, and casual contracts, while the criterion variable was assessed through worker representative involvement and employee ability in redundancy scenarios. Guided by seven specific objectives and corresponding research questions, the study formulated seven null hypotheses to rigorously investigate these dimensions.

Central to the research was the moderating influence of human resource policies on organizational culture, acknowledging the pivotal role played by contextual factors in shaping employment dynamics and redundancy management practices. The theoretical underpinning drew from the seminal social exchange theory proposed by Blau (1964), offering a lens through which to elucidate the intricate interplay between contractual arrangements and organizational processes.

Methodologically, the study adopted a cross-sectional survey research design, aiming to capture the frequency and intensity of pertinent attributes within the defined population at a specific point in time. Focusing on construction companies engaged in residential and office building projects in Port Harcourt, the study targeted a population of 570 employees across seventeen selected firms. Recognizing the practical constraints inherent in studying the entire population, a judicious sampling approach was employed, guided by the Taro Yamane formula to ensure adequate representation while optimizing resource utilization.

Analysis of the gathered data revealed a compelling positive relationship between employment contracts and redundancy management, shedding light on the nuanced dynamics at play within construction companies. The findings underscored the profound impact of redundancy on employee perceptions and organizational dynamics, elucidating the adverse effects manifested as fear, helplessness, and morale depletion among surviving employees. Moreover, the study highlighted the multifaceted nature of employment contract variations, attributing 87.8% of the variance to factors beyond the scope of the research, such as perceptions of self-efficacy, trust in leadership, and organizational citizenship.

In light of these findings, the study propounded actionable recommendations aimed at enhancing organizational practices and fostering a conducive work environment. Key recommendations encompassed strict adherence to contractual agreements, formulation of comprehensive redundancy policies, active involvement of stakeholders in decision-making processes, transparent communication of human resource policies, legislative reforms to bolster labor laws, governmental oversight to prevent exploitation, and provision of counseling support services to mitigate the impact of redundancies on affected employees.

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