

**STAFF DISCIPLINARY METHODS ON EMPLOYEES' PERFORMANCES IN
BUSINESS ORGANISATIONS**

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ABSTRACT

The study investigated staff disciplinary methods on employees' performances in business organisations. The study adopted a descriptive survey design, while random sampling techniques was used to select the respondents. The instrument for data collection was administered to 344 respondents and the responses used for the study. The instrument was vetted by the supervisor in the Department of Test and Measurement. Data collected was analyzed using independent t-test analysis. The result of the data analyzed were all significant and from the result of the analysis, it was concluded that staff disciplinary method like the use of verbal warnings and demotion affects employee's performances in business organizations. The paper recommended that the employees discipline practices by organizations should be such that can cause motivation of employees with the resultants effect as high productivity and organizational growth and employees should be made to appreciate the philosophy of employee discipline by making such that it is both development and reward-driven in nature.

INTRODUCTION

Employees discipline is an issue that has continued to remain an issue in organizational settings. Managing organizational discipline is an obstacle that impedes the performance of some employees. The importance of discipline in the organization cannot be underestimated, since employees morale, productivity and even company profitability can be adversely affected. A positive approach may resolve a problem before it worsens (Dauda, 2007)

According to Welbeck and Paulo (2004), disciplinary methods are usually initiated by managing in response to unsatisfactory work performance and unacceptable behavior on the part of the workers. However, proper procedures must be followed when exercising discipline. The Labour Relations Act's codification of unfair dismissal and Code of Good Practice relating to dismissal is regarded as the basis for policy statements on disciplinary procedures (Finnemore, 2006). It is evident in the context of current employment law that discipline is regarded as a corrective rather than punitive measure. A disciplinary code endorses the context of corrective or progressive discipline, which regards the purpose of discipline as a means for employees to know and understand what standards are required of them. It empowers employees to seek to correct employees' behavior by a system of graduated disciplinary measures such as counseling and warnings (Philips, Welbeck and Henderson, 2007).

Wilson (2007) was right when he said that disciplinary methods refers to the action or penalties that are taken by an organization with response to an employee's misconduct. For disciplinary action to be effective, it must be undertaken by appropriate people and must adhere to

the organization policies of the agency involved. The range of disciplinary methods that may be taken in the organization includes an official caution or reprimand, salary being reduced by pay increment(s), a fine, transfer/posting, demotion, suspension (with or without pay), and dismissal. Remedial actions, including issuing a warning, implementing a performance improvement plan, training, coaching, mentoring, and restricted (instead of flexibility) hours may be used as an alternative to formal disciplinary action.

It is purposed of a disciplinary process to preserve a healthy relationship between employees and managers for an organization to perform well. Both parties are expected to abide by the prevailing regulations. Disciplinary polices are in place to serve as a guide to and orderly conduct in the workplace in order to achieve the organizational goal (Gatchalian and Lumiqued, 2005). The situation in which the employee commits misbehavior may vary in the same way that the manager may also handle an individual situations in different ways that is commensurate to the situation. However, the method in which the manager execute the disciplinary actions may produce various opinion for the employees. It can go with or contradict with the manager's perception. This opinion should not be taken for granted for it may result to future problems in the organizational relationship. The credibility of the disciplinary process should be maintained in order to prevent the strong rapport between the manager and the employees. In order to verify the credibility of the process, it is necessary to identify the perspective of the employees about the disciplinary process. While several studies have been made about proper control of employees' misconducts, little is known about how employees reacted about the implementation of the disciplinary systems (Greer and Labig, 2007).

For disciplinary measures to be effective, Nathan and Dominic (2007) maintain that it should emphasize correcting the problem rather than punishing the offender(s), it should maintain the employee's dignity and self-respect. It should provide for increasingly serious steps if the problem is not resolved, and it should ultimately result in a change in the employee's behaviors and performances. Behavioural problem in the workplace calls for supervisors to take action to ensure that the problem is contained and remedied. The importance of discipline in the organization cannot be underestimated, since employee's morale, productivity and even organization's profitability can be adversely affected. A positive approach may results in problem before it worsens.

Statement of Problem

The progress in employee discipline in some business organizations have swiftly transformed and influenced the employee's performance, transversely, the world has brought a great development in the organization. Disappointingly, there has been total lack of disciplinary actions by management. Various reasons have been advanced for the seemingly low reflection of disciplinary actions of employee action and method adopted to be influenced by employee socio-economic status, educational qualification. The contradiction therefore gives rise to the study which seeks to investigate and examine the effect of staff discipline methods on employees' performances in business organizations.

Purpose of the study

1. To determine how the use of verbal warnings affecting employees' performances in a business organisation
2. To examine how the use of demotion affect employees' performances in a business organization

Hypothesis

1. There is no significant effect of the use of verbal warnings and employees' performances in business organizations.
2. There is no significant effect of the use of demotion employees' performance in business organisations.

Concept of Employees' Discipline in Business Organization

Discipline is an action or behavior on the part of the authority in an organization (usually management) aimed at restraining all employees from behavior that threatens to disrupt the functioning of the organization (Nel, Mahmood, Adam, Mann and Gary, 2007). The primary objective of disciplinary actions is to motivate an employee to comply with the company's performance standards. The failure to perform as expected could be directly related to the tasks performed by the employee or to the rules and regulations that define proper conduct at work. A second objective of discipline is to create or maintain mutual trust and respect between the supervisor and subordinate. Improper administered discipline can create such problems as low morale and resentment between the supervisor and the subordinate. The proper administration of discipline will not only improve employee behavior but will also minimize future disciplinary problems through a positive supervisor-subordinate relationship (Grobler, Warnich, Carrell, Elbert & Hatfield, 2006).

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Grossett (1999) advises establishments to make use of different forms of discipline; warnings (i.e. verbal warning and reprimand), suspensions (with or without remuneration), transfer, demotion and dismissal are some of the options mentioned. The principle of progressive discipline is applied when these options are chosen according to the seriousness of the offence. Gomez-Mejia, Balkin and Cardy (1995) describe positive discipline, where counseling session between the employee and supervisor replace punishment actions. Counseling skills would, however, be required for the successful implementation of this option. Disciplinary factors in some organizations, ranges from absenteeism, insubordination, violation of organizational rules, gambings, damage to machinery and property, non-performance of duty, negligence of duty, punctuality, loafing, fighting, drunkenness, stealing to tardiness.

The Use of Verbal Warnings and Employees' Performances

Verbal warnings are part of the decline procedure that a business may use to get employees back on track after inappropriate office behaving or substandard work performance. The verbal warning often takes the form of discussing with a supervisor, or the owner of the company. Verbal

warnings are informal method that put employee on notice that they have engaged in behavior or actions that can lead to more serious consequences if not immediately corrected (Vidal, 2003).

Ukaka (2008) asserts that the first step in many progressive discipline policies is a verbal warning, which means a supervisor or manager talks to the employee and advises him of the actions or behaviour that conflict with company's expected performance and code of conduct. In a bid to explain what constitute verbal warnings, he said that, poor attendance is an example of an employee's action that may be considered a valid reason for verbal warning. Until the employee's absenteeism disrupt the workforce, result in missed deadlines and result in additional work for co-worker, a verbal warning may be all that's necessary to encourage the employee to focus on improving his attendance

Archibong (2008) said that the positive discipline approach is a meeting between a supervisor and the employee to discuss the problem. The supervisor tells the employee the reason for the rule that has been violated, tell the employee the specific changes that are required, and express confidence that the employee will correct the problem and the expectation that no further action will be needed. No record of the meeting is placed in the employee, hopefully providing a strong incentive for improvement.

According to Akang and Udoadiaha (2005) verbal warning is generally followed by the use of written query and that begins the documentation of disciplinary actions in the employee's personnel file. The written query provides the beginning of the documentation necessary for an organization to fire an employee. If an employee's performance fails to improve during a series of disciplinary action steps, the employer has legally documented the steps taken to help an employee improve and retain employment. Through this processes, the employer has demonstrated the steps taken by the employer to help the employee improve performance. The employer has also demonstrated that he/she did take necessary actions to help an employee improve and that subsequent disciplinary actions were not arbitrary. Effiong (2001) opines that verbal warning, differ from company to company, and even within a company, depending on the nature of the non-performance, a verbal warning is a negative is a negative event. If the employee has failed to perform at a level the employer determine requires disciplinary actions.

Moreover, Watson (2008) maintain that there are two type of verbal warnings which are informal and formal methods; however, informal verbal warning is the situation where the supervisor or manager may give employee an informal verbal warning to help the worker correct an issue. The informal warning is given when the worker may not be aware of a problem nor has a personal issue that is affecting this work. Supervisors may keep a written record of the verbal warning in his own files and provide a copy to the worker to document the discussion. Documenting an informal verbal warning can provide a paper trail in the event the worker fails to correct a problem. The manager or supervisor can provide proof that he notified the worker of the issue while formal verbal warning, the supervisor can include formal verbal warning in an employee's personnel file for future reference. But in the case when the worker continues the behaviors, the formal warning may be necessary. Company policy or an employment contract can require the employer to follow a process when warning workers. The process can include a formal verbal warning, written query, discipline actions, such as suspension and termination. (Adebola and Ikemba,2003).

The Use of Demotion and Employees' Performance

Demotion is a compulsory reduction in an employees' rank or job title within the organization hierarchy of the company, public service department or other bodies. Green, (2009) opine that demotion may also lead to the loss of other privileges' associated with a more senior rank and/or a reduction in salary or benefits. An employee may be demoted for violating the rules of the organization by behaviors such as but not limited to excessive lateness, misconduct, or negligence. Albert (2003) assert that in some cases, an employee may be demoted as an alternative to being laid off, if the employee has poor job performance or if the company is facing a financial crisis. A move to a position at the same rank or level else way in the organization is called a lateral move or deployment. A voluntary move to a lower level is also a deployment. A voluntary move to a lower level is also a deployment as it is not a compulsory reduction in level. Demotion is often misinterpreted simply as the opposite of promotion; however it is only one means of the undergoing a reduction in work level. Balkin and Cardy (2005) opines that demotion is the compulsory lowering of an employee's job rank, job, or status. An organization can provide a demotion at the choice of the organization or voluntarily, at the request of the employee, sometimes called deployment. The supreme court of Canada has defined a demotion as loss of prestige and status as well as a substantial change to the essential terms of an employment contract that warrants a finding that an employee has been constructively demised. Therefore, in the absence of previous written queries; without improvement of the employee's performance in his present position with specifics as to what need to be improved, and a failure of the employee to do so with a reasoning time, demotions in general provide an opportunity for an employment will have to objectively demonstrate (should the employee take legal action) that the demotion was warranted under the circumstances.

Without the employee's consent or a properly documented performance deficiency trail an employer can still demote employees, as it considers appropriate by providing appropriate notice of the demotion. In many respects, this is similar to the type of notice an employer would give when terminating an employee without cause. The employee is effective being given without account appropriate factors including: the employee's age, years of service, salary reduction and nature of demotion in order to determine how much notice is appropriate before the demotion takes effect. Akpandan (2003) said each situation is unique and accordingly, legal counsel should be sought for guidance as to the appropriate notice period. When appropriate notice is given and the employee refuses to consent to the transfer, discharge becomes lawful. Demotion is a downward movement. In an organizational context, demotion means the movement of an employee to a less important position or to a position with a lower occupation status (Osaka, 2009). Demotion is a downward transition toward a lower job (Mark and Isabella, 2000). Demotion may relate to various stakeholders: an employee can choose to demote to bring the relationship work-life in balance and an employee can decide to demote in order to optimize the organization Ben and Carson, (2005).

METHODS

Research Design

This work adopted the descriptive research design.

Population of the Study

The population of the study comprised all the staff of ministry of work, ministry of Education and Ministry of Justice out of the entire population, 344 staff was strategically used for the study.

Instrumentation

The main instrument used in this study was questionnaire titled “Staff Discipline Methods on Employees’ Performances in Business Organizations” (SDMEPBO) which was used to obtain data on the independent and dependent variables presented in both sections A and B of the questionnaire. Section A measured the demographic data of the respondent such as name, gender, age, educational level, department, and years of experience while section B measured the independent variables.

Validation of the Instrument

The content validity of the instrument was determined by expert in test and measurement who matched the items of the instrument with the research purpose in order to determine whether or not the instrument measured what they were supposed to measure.

Reliability of the Instrument

The reliability was determined through expert in test and measurement and statistics were given the instrument for rating in respect of the consistency with the research objectives. Items in which at least two experts agreed upon were regarded as suitable, the reliability coefficient was 0.76 and was considered suitably high enough to justify the use of the instrument. The exercise lasted for eight days. The data collected were analyzed using independent T-test analysis while the hypothesis was tested at 0.05 alpha levels.

Procedure for Collecting Data

A letter of introduction was written by the researcher. The questionnaire were issued and retrieved 3 days later from each respondent.

Method of Data Analysis

The researcher subjected the data generated for this study to appropriate statistical techniques such as descriptive analysis (mean and standard deviation) for research questions and Pearson Product Moment Correlation Analysis for hypotheses. Test for significance was done at 0.05 alpha levels with 482 degree of freedom.

Testing of Hypothesis

Hypothesis one

The null Hypothesis stated that there is no significant influence on the use of verbal warnings on employees’ performances in a business organization. In order to test the hypothesis, T-test analysis was performed on the data.(see table 1)

Table One.

Independent t-test analysis of difference in the use of verbal warnings on employees’ performance in business organizations

Variable	N	X	SD	T
High	292	12.41	1.65	10.96
Low	52	14.98	0.83	

Significant at 0.05 level; df =342; N=344; critical t-value=1.96

The above table 1. Presents the obtained t-value as (10.96). this value was tested for significant by comparing it with the critical t-value(1.96) at 0.05 level with 342 degree of freedom. The obtained t-value (10.96) was greater than the critical t-value (1.96).Hence, the result was significant. The result therefore means that there is significant effect of the use of verbal warnings on employee’s performances in business organizations.

Hypothesis Two

The null hypothesis stated that there is no significant effect of the use of demotion on employees’ performances in business organizations. In order to test the hypothesis, T- test analysis was performed on the data. (See table 2.)

Independent t-test analysis of difference in the use of demotion on employees performance in a business organizations

Variable	N	X	SD	T
High	257	12.01	1.30	21.45
Low	87	15.15	0.71	

Significant at 0.05 level; df =342; N=344; critical t-value=1.96

The table two above present the obtain t-value as (21.45). This value was tested for significant by comparing it with the critical t-value (1.96) at 0.05 levels with 342 degree of freedom. The obtained t-value (21.45) was greater than the critical t-value (1.9). Hence, the result was significant. The result therefore means that there is no significant effect of the use of demotion on employees’ performances in business organizations.

Discussion of the Findings

The result of the data analysis in table 1 is significant due to the fact that the obtained t-value (21.24) was greater than the critical t-value(1.96) at 0.05 level with 342 degree of freedom. This result implies that there is significant difference in the use of verbal warnings on employees’ performances in business organizations. The significance of the result is in agreement with the opinion of Akang and Udoadiaha, (2005) verbal warnings is generally followed by the use of warning query of that begins the documentation of disciplinary actions in the employee’s personnel

file. The written query provides the beginning of the documentation necessary for an organization to fire an employee. The significance of the result causes the null hypothesis to be rejected while the alternative one was accepted.

The result of the data analysis is table 4.2 is significant due to the fact that the obtained t-value (18.31) was greater than the critical t-value (1.96) at 0.05 level with 342 freedom. This result implies that there is significant difference in the use of demotion on employees' performances in a business organization. The significance of the result is an agreement with the opinion of Green, (2009) who opine that demotion may also lead to the loss of other privileges associated with a more senior rank and/or a reduction in salary or behaviour such as but not limited to exercise lateness, misconduct, or negligence. The significant of the result caused the null hypothesis to be rejected while the alternative one was accepted.

Conclusion

Based on the data analysis a research of the data analysis, the paper concluded that staff disciplinary methods like the use of verbal demotions affect employees' performances in business organizations.

Recommendations

1. Employee's discipline should be seen by all as a panacea for high productivity in not only the private sectors but also in any other sector of the economy.
2. Employee's discipline practice by organization should be such that can cause motivation of employees with the resultant effect as highly productivity and organizational growth.
3. Employee should be made to appropriate the philosophy of employee's discipline by making sure that it is both development and reward- driven in nature.

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