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COLLECTIVE BARGAINING AND WORKPLACE STABILITY: EVIDENCE FROM TERTIARY INSTITUTIONS IN NIGERIA

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Abstract

This study investigated the relationship between collective bargaining and workplace stability among tertiary institutions in Nigeria. This study used survey design and population of study is employees of two (2) tertiary institutions; hence resulting to a total size of one thousand and six (1,006) academic and non-academic staff. Taro-Yamane sample size formula was used in obtaining a sample of two hundred and eighty-six (286) respondents. Variables of interest include measures of collective bargaining (salaries scales; training, health and safety; and grievance procedures)and workplace stability. Data obtained in the survey were analyzed via descriptive and inferential statistics. The standardized coefficient of the regression model indicates a relatively weak insignificant relationship collective bargaining and workplace stability. Overall, the t-values revealed insignificant negative relationship between collective bargaining and workplace stability in Nigeria. On the basis of the research findings, the study recommends among others that there is need to continuously advocate for reform of current labour laws, industrial relations practices, and the national minimum wage. Also, there is the need to lessen absence of necessary skills for collective bargaining as well as identifying and developing solutions for industrial relations issues.

Keywords: *Collective bargaining, Workplace stability; Strike; Lockdown; Tertiary institution*

JEL Classifications: C78; J52; M12

1. INTRODUCTION

Collective bargaining is a process via which working condition, wages and other employment aspects are established via negotiations between employers and representatives of organised employees. According to Omar, et al (2023), collective bargaining is seen as a tool utilised by workers to engage in industries, extend citizenship rights into economic domain, and resolve conflicts within organisations. Collective agreement is the result of this process. It is the fundamental principle on which the trade union system rests. It does not require either side to agree to proposal to make concession but does create procedural guidelines on good faith bargaining (Agbo, 2020)

Since 1984, when the first comprehensive international instrument on collective bargaining was established, the significance, objectives, and importance of collective bargaining as a means of fostering peaceful labour relations have been extensively debated. The process of collective bargaining regulates industrial relations (Adilo, 2019). Collective bargaining is a social process that continually turns disagreements into agreements in an orderly fashion (Isidore, 2022). Collective bargaining is intended to serve as an effective measure for settling problems inside organisations, based on its processes and functions.

From the aforementioned, it may be inferred that rather than a dispute being settled, there would be arguments, walkout, work-to-rule situations, deadlock and negligence of agreement struck (Arthur & McMahon, 2019). The government is not interested in collective bargaining. For instance, in her attempt to embrace collective bargaining in Nigeria, the government appears to occasionally speak from two sides of her mouth. One example is the federal government's conflict with Academic Staff Union of Universities (ASSU) regarding the 2009 collective bargaining agreement's neglect in finding a long-term solution to the union's demands. However, part of the agreement reached has been met by the federal government in the recent past, but other substantive issues like infrastructural development and financial autonomy are still issues of disagreement. In this study we investigated the

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relationship between collective bargaining and workplace stability among tertiary institutions in Delta State, Nigeria.

2. REVIEW OF RELATED LITERATURE

2.1 Collective Bargaining

The terms 'collective' and 'bargaining' are combined to form the term collective bargaining. Collective describes group activity carried out by representatives. From a management point of view, the idea refers to the management representatives at the negotiating table, but from a worker view, it refers to a local business membership that represents a union. Negotiation and bargaining are interchangeable terms. The location of a fixed position has some degree of flexibility (Bagdadli&Gianecchini, 2019)

According to Brown and Lent (2019), collective bargaining is the process of negotiating terms and conditions of employment through representatives of businesses (and perhaps their organisation) and employees (likely their unions). It is a process by which employers' and employees' representatives decide on and control choices pertaining to both procedural and substantive matters within the employment relationship. Collective agreement is the end consequence of this process. Article 2 of the 1948 Right to Organise and Collective Bargaining Convention guarantees collective agreement. According to the Act, a collective agreement is any written agreement reached between: (a) an employer, a group of employers or organisations representing workers, or the duly appointed representative of any person or workers for the purpose of resolving disputes pertaining to terms of employment and physical conditions of work.

Collective bargaining was introduced by Webb and Webb in (1965 to refer to discussions between employers and employees or between employers' associations and trade unions over terms of employment and conditions of service. According to this definition, collective bargaining includes all agreements where employees negotiate with their employers through their representatives rather than individually. The process of collective bargaining covers a wide range of topics, including job classification and grading, pay, hours worked, promotion, raises, retirement, and annual leave (Caza, et al, 2022; Hirschi&Koen, 2021).

Collective bargaining covers topics that are subject to negotiation and have the potential to spark labour disputes. Collective bargaining also extends to socio-political issues such as the election tribunal. Collective bargaining, as used in the context of industrial relations, is the process via which an association of employers or employees negotiates terms of employment and salaries, and processes are collectively agreed upon (Gwanyo, Cinjel&Talatu, 2020). These agreements contain some characteristics of force even though they are not legally binding.

In fact, it is a power relationship that takes the form of a measure of power-sharing between trade union and management. Collective bargaining encompasses democratic values and ideas that are used wisely for organisationaleffectiveness (John-Eke &Odunayo, 2020). It is a political relationship in which a trade union shares industrial sovereignty or power over employees who are the governed, and management and union hold the sovereignty jointly during the bargaining process. However, in modern-day Nigeria, it has been noted that the balance of power has seemingly shifted in favour of management (Ogunbameru, 2011).

According to Niland (1979), as cited by Abah, Itodo and Haruna (2019), there are five prerequisites for collective bargaining to exist in its purest form. First, negotiation of disputes between unions and management; only voluntary third-party intervention, as decided by the parties, is permitted. At the start of negotiations, there is a great deal of ambiguity about the outcome. Second, direct negotiations and a sincere attitude to the process are philosophical commitments shared by both parties. When disputes over settlement conditions persist, the parties themselves are in charge of settling disputes, at least until the general welfare is in jeopardy. Adetunji and Adetunji (2018) observed these forms as the ability to evaluate the terms and conditions of work, the parties bargain from fairly equal bases of power. Communication is an essential tool in collective bargaining, which is a group action in which workers and their union leaders meet with management representatives to discuss and reach agreements on current issues.

2.2 Workplace Stability

The degree to which a company retains a steady and dependable workforce - one that is marked by low turnover, high retention, and a favourable work environment is referred to as workplace stability. According to Sessions, et al (2021), workplace stability denotes an environment where workers are encouraged, appreciated, and respected, which fosters a sense of job stability and loyalty to the company. Tenure and regularity of employment are two indicators of job stability, which is the probability of keeping a job for a long time. It includes a number of elements, like the duration of employment, the regularity of work schedule and pay, and the total danger of losing one's job as a result of things like business performance or shifts in the industry (Sullivan & Al-Ariss, 2021).

There are several elements that affect workplace stability such as organizational stability, industry trends, employee performance, type of contract and economic conditions. First, compared to a struggling or quickly evolving company, a well-established and financially stable one typically offers more employment security. Second, industry trends were some industries have more stable employment than others because they are more resistant to technology breakthroughs and economic downturns.

Third, employee performance and talents; even in trying circumstances, those who have a strong work ethic and useful talents are typically more likely to keep their jobs; fourth, type of contract (full-time or permanent jobs usually provide greater stability than freelancing or contract labour); and lastly, economic conditions where job security may be more

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vulnerable in a number of industries during recessions or times of high unemployment.

There are several advantages of stable workplace like financial security, decreased tension, career advancement and employee loyalty. First, financial security could result to a steady job offers; a steady flow of money, facilitating long-term financial objectives and improved financial planning. Second, decreased tension (the tension and anxiety that come with job searching/uncertainty can be considerably decreased when you know that your employment is secure) (Retkowsky, 2023). Third, career advancement (stable positions frequently offer chances for internal growth and promotion, which can result in more responsibility and higher compensation); and lastly, employee loyalty (workers are more likely to be devoted to and loyal to their employer if they feel safe in their positions) (Michaelides, Anderson &Vinnicombe, 2023)

Since employees are the foundation of the organization, providing them with job stability has a favourable impact on the calibre and productivity of work produced. Ogundele, et al (2013) also emphasised that hotel administrations should focus on establishing job stability by helping employees develop trust in their co-workers, management, and supervisors. This is because these factors have a direct influence on an employee's desire to stay with the company where he works. Taking seriously the value of training to improve staff abilities is one of the most crucial practices that hotel management should follow in order to foster employee loyalty (Sobral, Chambel, &Castanheira, 2019). The inclination to create and creativity are impacted by additional instruction.

2.3 Theoretical Framework

This study is anchored on the radical theory of social conflict by Karl Marx. Advocate of the theory emphasizes a materialist interpretation, dialectical method of analysis, a critical stance towards existing social arrangement and political programme of revolution or, at least reform (Abah, et al, 2019). Advocate of the theory began his axiom that the most vital determinant of life is the work people do, especially work that result in provision of basic necessities (Adilo, 2019)

The theorists buttressed that the workplace is socially organized and have a strong effect on the life of employees. Agbo (2020) maintained that everything of value in the workplace result from human labour. Thus, employees want a system they can control via unionism; this arrangement leads to two opposed classes, the owners of capital (the bourgeoisie) and the workers (the proletariat) whose only property is their own labour time, which they have to sell to the capitalists.

Furthermore, owners are seen as making profits by paying workers less than their work is worth, thus exploiting them; herein lays the core of conflict. Marxist analysis assumed that organizational change is universal and class conflict is the catalytic source of such change (Nnam¸ 2013). Therefore, conflict that takes place in industrial relation between management and employee is seen as a permanent power feature which merely reflects predominant power base of bourgeois and class relations.

3. METHODOLOGY

This study used survey design and the population of study is employees of two (2) tertiary institutions in Delta State, Nigeria; hence resulting to a total size of one thousand and six (1,006) employees who are academic and non-academic staff. The Taro-Yamane sample size formula was used in obtaining a sample of two hundred and eighty-six (286) respondents. Instrument of data collection is the questionnaire which was administered to both academic and non-academic staff of the selected tertiary institutions of higher learning in Delta State, Nigeria.

Furthermore, questionnaire items were designed using a 4-point scale of Strongly Agreed, Agreed, Disagreed and Strongly Disagreed. Reliability of instrument was carried out using the Alpha reliability coefficient and on the average, the instrument yielded a Cronbach Alpha coefficient of 0.83; also, data gathered were analyzed via descriptive and inferential statistical tools. The variables of study include measures of collective bargaining (salaries scales; training, health and safety; and grievance procedures) and workplace stability. Data obtained were analyzed using descriptive statistics and inferential statistics (multiple regression models). The regression model is given as follows:

$$Wpsb = f(Cbss, Cbths, Cbgp)$$

$$Wpsb_i = \beta_0 + \beta_1 Cbss_i + \beta_2 Cbths_i = \beta_3 Cbgp_i + \varepsilon_i$$

Where: Wpsb is workplace stability; Cbss is salaries scale in collective bargaining; Cbths is training, health & safety in collective bargaining; Cbgp is grievance procedures in collective bargaining; β_1-β_3 are regression coefficients; i is individual respondents (209); ε is error term.

4. RESULTS

Table 1: Collective Bargaining and Workplace Stability

S/N	Items	Mean	Std. Dev	Remark
1	Salaries scale in collective bargaining	1.52	0.034	Reject
2	Training, health and safety in collective bargaining	2.03	0.057	Reject
3	Grievance procedures in collective bargaining	2.33	0.088	Reject
	Aggregate Mean	1.96		

Source: Compiled by Researcher (2025)

The result in Table 1 indicates a no link between collective barging measures and workplace stability with an aggregate mean of 1.96. Thus, majority of the respondents disagreed that

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collective bargaining is effective in instilling workplace stability. Additionally, majority of the respondents agreed that collective bargaining has not brought about increase in salaries scale, efficient training, health and safety and improve grievance procedures for employees; these results were supported by the low standard deviation values which ranged from 0.034 to 0.088.

Table 2: Pearson Correlation for Collective Bargaining and Workplace Stability

Variables	Wpsb	Cbss	Cbths	Cbgp
Wpsb	1.0000			
Cbss	-0.0172	1.0000		
Cbths	-0.0312	0.0301	1.0000	
Cbgp	-0.1147	0.0413	0.0729	1.0000

Source: Compiled by Researcher (2025)

The Pearson correlation result shown in Table 2 revealed that the Pearson coefficients are carrying negative signs; an indication that there is negative relationship between measures of collective bargaining (salaries scales; training, health and safety; and grievance procedures) and workplace stability. However, none of the Pearson coefficients exceed 0.8, hence an indication of non-existence of multicollinearity among pairs of the measures of the collective bargaining variables

Table 3: Variance Inflation Factor for Collective Bargaining and Workplace Stability

Variables	VIF	1/VIF
Cbss	1.02	0.9803
Cbths	1.04	0.9615
Cbgp	1.17	0.8547

Source: Compiled by Researcher (2025)

The variance inflation factor (VIF) result shown in Table 3 revealed that there is absence of heteroskedasticy in the empirical model of collective bargaining and (salaries scales; training, health and safety; and grievance procedures) and workplace stability

Table 4: Model Summary for Collective Bargaining and Workplace Stability

Model	R-Value	R-Squared	Adjusted R-Squared	Std. Error of the estimate
1	0.594	0.344	0 .342	2.7882

Source: Compiled by Researcher (2025)

The model summary as shown in Table 4 revealed a moderate coefficient of 0.594; this implies a relatively stern relationship between collective bargaining and workplace stability. The R-squared of 0.344 suggests that approximately 34.4% is of workplace stability has been explained by collective bargaining. The low R-squared is a clearly indication that collective bargaining may not be a major factor contributing to workplace stability.

Table 5: Regression Results for Collective Bargaining and Workplace Stability

	Unstandardized Coefficients		Standardized Coefficients	t-val	Sig.
Model	B	Std. Err.	Beta		
Constant	-3.25	0.213	0.360	-1.03	0.384
Salaries Scales	-0.287	0.045		-0.79	0.372
Training, health and safety	-0.380	0.098		-0.55	0.494
Grievance procedures	-0.580	0.059		-0.78	0.498

Source: Compiled by Researcher (2025)

Table 5 is the regression results for collective bargaining and workplace stability; the result revealed insignificant negative link between collective bargaining and workplace stability. First, the unstandardized coefficient implies that a unit increase in collective bargaining increases workplace stability by 36%. The standardized coefficient indicates a relatively weak insignificant link; also, t-values were insignificant for collective bargaining measures; an indication that collective bargaining has insignificant negative relationship with workplace stability in Nigeria.

5. CONCLUSION AND RECOMMENDATIONS

One crucial component of managing employee relations is collective bargaining. It makes it possible for parties to draft and agree upon norms of conduct. Wage scales, training, health and safety, overtime, working hours, grievance procedures, and the ability to engage in workplace or corporate issues are typically included in collective agreement that these parties reach. Due to inherent issues with agreements not being implemented, collective bargaining is unsuccessful in improving workplace freedom. It has been suggested that one of the causes of this tendency is that the government has taken on the responsibility of setting wages rather than using collective bargaining to carry out this vital job. For example, Nigeria's collective bargaining system is weak and poorly designed.

The tool of collective bargaining has been said to have the capacity to articulate a fair representation of workers on matters that are true to their cause. Despite the aforementioned benefits, collective bargaining and enforceability incidents, if properly managed, would undoubtedly lead to industrial democracy inside the industrial system, which in turn fosters nation-building. Because of the

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state legislature, collective bargaining in Nigeria is still developing slowly. Arising from the above, the following recommendations are made:

i. There is need to continuously advocate for reform of current labour laws, industrial relations practices, and the national minimum wage.
ii. To lessen absence of necessary skills for collective bargaining, the Ministry of Labour should work with the federation's office of head of service to implement capacity building programs on collective bargaining.
iii. To identify and develop solutions for industrial relations issues, yearly conferences on collective bargaining should be held.
iv. All laws pertaining to freely entered collective bargaining agreements between unions and management that are authorised by the labour minister should be reviewed.

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