



LAGOS STATE UNIVERSITY, OJO, LAGOS, NIGERIA
PROCEEDINGS OF THE FIRST FACULTY OF
MANAGEMENT SCIENCES CONFERENCE

LAGOS STATE UNIVERSITY

MANAGING FOR ORGANISATIONAL
GROWTH AND NATIONAL DEVELOPMENT
IN THE PERIOD OF ECONOMIC RECESSION.

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**Managing for Organisational Growth
and National Development in
the Period of Economic Recession.**

**Papers Presented at the
First Faculty of
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**Collective Bargaining and Collective Relations
Mechanisms as Correlates of Harmonious
Industrial Relations in the Oil Industry:**

A Study of Total Nigeria PLC

Awe, Kayode Obafemi (PhD),

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and

Tugboho, Bola

Abstract

Collective bargaining and collective relations mechanisms are key elements in the system of labour administration, and essential predictors of organizational success. This study was carried out to critically assess the role of collective bargaining and collective relations mechanisms as correlates of harmonious industrial relations in the oil industry, a study of Total Nigeria Plc. The study population consisted of one hundred and forty-three (143) respondents from the headquarters of the organization. The survey design was adopted for the study. Stratified sampling technique was used to select the respondents for the study. The main instrument of data collection is the questionnaire. Descriptive statistics such as simple per centage and frequency tables were used in the presentation and analysis of data, while the relevant hypotheses were tested using correlation coefficients. Two hypotheses were tested, the alternative hypotheses were accepted. The findings from the hypotheses revealed that there is a significant relationship between effective collective bargaining and collective relations mechanisms, and the enhancement of harmonious industrial relations in the organization. Also, a significant relationship was found between collective bargaining and collective relations mechanisms and workers' productivity in the organization. The research recommended a triangulated effectual collective

urgaining, collective relations mechanisms and the development of enabling employment relations strategies as synergetic and responsive model. This is demonstrated in the Nigerian oil industry in a very dynamic environment of globalization and competitiveness so that industrial harmony and productivity will be enhanced. The lessons learnt could be applied at both organizational, sectoral as well as country study levels by means of the above stated formal and informal conflict management mechanisms, including a reorientation of the attitudes, perceptions, beliefs and behavior of the social partner.

Keywords: Collective Bargaining, Collective Relations Mechanism, Employment Relations Strategies, Industrial Harmony, Oil Industry.

Introduction

Industrial relations is one of the key elements in the system of labour administration (Goolsarran, 2006), hence an essential predictor of organizational success. There is a large body of literature on the positive effects of good industrial relations on company performance, efficiency and productivity which underscores the importance of industrial relations in organizational success (Fashoyin, 2001; Pyman et al., 2010). For instance, Silva (1998), observes that sound industrial relations is one in which relationships between management and employees on the one hand, and between them and the state on the other, are more harmonious and cooperative than conflict. Silva, further maintains that a good industrial relation is one that creates an environment conducive to economic efficiency and the motivation, productivity and development of the employee, and generates employee loyalty and mutual trust. On the other hand, Antonnioil et al. (2011) note that good quality industrial relations emerge as mediating factors that reinforce, in a positive way, the role of innovation activities on workers' well-being.

Collective bargaining is central to any industrial relations system since it is a tool through which regulated flexibility is achieved (Godfrey et al; 2007). A number of studies show that where workers had their terms and conditions of employment supported by unions, there was an improved industrial relations environment (Edwards; 2002; Beardwell et al., 2004). Adewole et al. (2010) asserted that frequent eruption of industrial conflicts between employers and employees in general can be effectively managed through collective bargaining has been noted to help promote cooperation and mutual understanding between workers and management by providing a framework for dealing with industrial relations issues without resort to strike and lockouts. Therefore, fair and legal equitable and transparent process will result in successful collective bargaining, hence maintenance of industrial discipline and peace and vice-versa (Gomez et al. 2003).

Statement of the Problem

There is no gain saying the fact that bargaining whether at the individual or collective level, is an essential pre-requisite for harmonious and good industrial relations in organizations. This assertion can be appreciated while taking cognizance of the conflict of interests between employers and employees in both public and private sectors. These conflicting interests are usually accommodated, reconciled and compromised through collective bargaining. However, in the event of no agreement, various pressures such as strikes, demonstrations set in boycotts and other conflict patterns are brought to bare upon management by the union, which affect industrial harmony and organizational efficiency. Collective bargaining constitutes an important means by which workers seek to satisfy their economic and social interests. Successful collective bargaining is crucial to the attainment of industrial peace in Nigeria. However, the collective bargaining process in Nigeria cannot be said to have guaranteed industrial peace

and harmony and subsequently improves industrial harmony workers' productivity. The problem is traceable majorly to failure to honour collective agreement between workers and their employers or the lack of recognition of trade unions on the other hand. The breakdown of collective bargaining and agreement in an organization usually leads to strikes, absenteeism, sabotage, high labour turnover and invariably lower productivity and organizational competitiveness.

Collective bargaining is a negotiation process between the employers and employees or their associations, on issues concerning terms and conditions of employment. To this end, collective bargaining is a potent tool for achieving peace, harmony and understanding among the industrial parties, most of the conflict that has been occurring in organization has been adduced to in effective or breakdown of collective bargaining and collective relations machineries. To this end, a lot of resources and revenues have been lost due to crisis in organizations. Added to this, collective bargaining is equally seen as an industrial democracy whereby industrial parties co-exist and collectively take decisions that affect both the organization, individual in the organization and the national economy. Several researchers (Ogheifun, 2008) have attempted to study the problem of collective bargaining leaving behind gaps that need to be filled. Those studies have not attempted to relate in-depth study collective bargaining and collective mechanism directly in industrial relations in the oil industry. Also, the mentioned studies (Imafidon, 2009; ILO, 2002) had different independent variables and were conducted in different contexts which justify the need for this study. This research study is carried out to fill the gap in knowledge in these areas regarding the role of collective bargaining and relationship mechanisms in achieving industrial harmony in the oil industry the specific case study of a major oil company, and the implications and to solutions to economic recession in Nigeria.

Literature Review

Collective Bargaining

The term collective bargaining has been variously defined by sociologists and socialists in the history of industrial relations practice. For the proper understanding of the concept, let us review some of these definitions. collective bargaining is a term coined by Beatrice Webb in the 19th century to describe the arrangement concerning pay and other conditions of employment settled between the trade union on the one hand and employers on the other hand; meaning a negotiation in which the employees do not bargain individually, and on their own behalf, but do so collectively through their representative which in most cases is a trade union.

Professor Tayo Fashoyin, defines collective bargaining as a machinery for discussion and negotiation, whether formal or informal, between employers and workers representative aimed at reaching mutual agreement or understanding on the general employment relationship in the work place. However, Ubeku describes collective bargaining as negotiation about working condition and terms of employment between the employer, a group of employees' organization on the one hand, and one or more representative of workers organization as on the other hand with a view of reaching agreement.

Grogan (2003) gives meaning to the concept of collective bargaining by stating as follows: "Collective bargaining is the process by which employers and organized groups seek to reconcile their conflicting goals through mutual accommodation". The dynamic of collective bargaining demands and concessions, its objectives is agreement unlike mere consultation; therefore, collective bargaining process assumes

willingness on each side not to listen and to consider the representativeness of the other, but also to abandon fixed positions where possible in order to find common ground. The International Labour Organization (1976) defined collective bargaining as negotiations about working conditions and terms of employment between an employer, a group of employers or one or more workers representative organizations on the other, with a view of reaching an agreement.

There are several essential features of collective bargaining, all of which cannot be reflected in a single definition or description of the process. It is not equivalent to collective bargaining because collective bargaining refers to the process or means and collective agreement to the possible result of bargaining. Collective bargaining may not always lead to collective agreement; it seeks to restore the unequal bargaining process position between employers and employees; it is a method used by trade union to improve the terms and conditions of employment of their members; where it leads to an agreement, it modifies rather than replaces the individual's contract of employment; the process is bipartite, but in some developing countries, the states and some other stakeholder play a role in the form of a conciliator where agreement occurs or where collective bargaining infringes on government policy, governance, public service safety and security (Goolsaran, 2006).

It is noteworthy at this juncture that most of the definitions in "collective bargaining" got their stem from the work of Beatrice and Sidney Webb, and this explains why the above definitions were quite similar. Collective bargaining is the main machinery which the employer and trade unions use to consider demand and resolve conflicts. The union use to consider demand and resolve conflicts. The other ways include informal stakeholders' intervention,

strategic direction and communication (Awe, 2013). The difference in the three ways could be found in the type of subjects discussed, the manner of reaching agreements; the authority of the meeting and the level of responsibility of the parties for the decision reached. Deputation is a process often used where management appear autocratic. The workers may be called upon to express their views on a given subject, thus may or may not have bearing on what they finally decide. The employer in this case plays dominant role. Joint consultation could be defined as meeting between the worker and their workers where the relationship is seen not on terms of bargaining strength but in terms of their work and ability to contribute to the subject being discussed. Here, discussions focus on issues of mutual interests to both sides. Subjects like welfare, canteen safety, productivity and others, are dealt with in joint consultation. The collective bargaining process represents negotiation on issues in which both the trade union and their employers have claims and divergent views. The classical examples are wages and salaries. The process is collective because it replaces the individual's weak attempts to effect changes in his conditions of employment. The process is a bargaining relationship in the sense that it is based on give and take, compromise, concession and disagreement. That is, each side yielding here and gaining a point there. Other collective relations mechanisms include labour and dispute settlement courts and institutions, informal and cultural stakeholders' intervention, industrial relations environment and industrial relations climate. Business ethics, strategic and continuous, re-orientation of attitudes, knowledge, behavior, negotiation skills, re-orientation and awareness of the social partner as well as tripartite of voice, equity and justice among parties, grievance procedure effective consultative and communicative systems and wage response.

Industrial Relations Environment

Industrial Relations Environment refers to the atmosphere, norms, attitudes and behaviours reflecting and underpinning how workers, unions and managers interact collectively with each other in the workplace, which in turn, affecting workplace outcomes (Kersley et al., 2006; Pyman et al., 2010), workplace environment and the contextual factors are sometimes described as the industrial relations climate and this concept has been used to explain behaviour and attitudes in the workplace, and interactions between unions, employees and employers. Industrial relation environment therefore depicts the state and quality of union-management relations in an organization. Industrial relations environment can therefore be scribed as function of work practices (the organization of work) and employment practices – the management of people, and thus may be likened to organizational performance – company and worker outcomes (Awe, 2013).

Bendix (2016), Snappe, (2006); state that industrial relations environment has been identified as a key mediator factor in the link between high-performance work system organizational performance and effectiveness (Kersley et al., 2006). Other outcomes that have been found to be associated with a favourable industrial relations climate include positive perceptions of organizational prestige, positive attitudes towards supervisors, reduced absences, turnover and conflict, innovation, customer satisfaction and service or product quality (Lee, 2009). According to Khan (2006), stable industrial relations climate is therefore vitally important for the economic growth of any country. This observation is consistent with a study by Goolsarran (2006) which revealed that the climate of labour and industrial relations in any country has a direct impact on its economic and social development, which requires a favourable environment in which labour relations can be conducted in an orderly and responsible manner.

Pyman et al., (2010) conclude that employees' perceptions of the industrial relations climate are more likely to be favourable if they have access to direct-only voice arrangements. Where management is perceived by employees to oppose unions, the industrial relations climate is more likely to be reported as poor. Wan (1997) therefore identifies six dimensions of industrial relations that can be used to measure industrial relations environment namely: union management cooperation, mutual regard, apathy, joint participation, hostility and trust.

Features of Collective Bargaining in the Upstream Oil and Gas Industry

Since 1978, the structure of collective bargaining in the Nigerian private sector had been predominantly multi-employer (sectoral) bargaining, i.e. at the industry level as a result of birth of industrial unionism through legislation. Company level bargaining exist as well, but sectoral or industry-wide bargaining is dominant company level bargaining is what obtains in the Nigerian oil and gas sector. This appears to be general trend in oil and gas companies in some other countries. "Collective bargaining may be organized at the national, sectoral, enterprise or at factory level or at a combination of these levels. In the oil and gas industries, there is clear trend towards decentralization by emphasizing enterprise-level bargaining. Negotiation at the enterprise level, which can mean at the company division level or even at the plant level have reported to the ILO by Argentina, China, Finland, Japan, Malaysia, Philippines, Poland, Romania, Singapore, Thailand and Turkey" (International Labour Organization, 2003). In the upstream oil and gas industry in Nigeria, collective bargaining at the company level occupies a pride of place in the determination of employment terms and conditions. This is so because in the Nigerian oil and gas sector there is no serious singular employers body for regulating terms and condition of

employment and as such, enterprise/company bargaining has flourished in the private sector, with the exception of the oil and gas industry and print media industries, there exist an industry-wide national joint negotiating council for each sector: the national joint negotiating councils have functioned relatively well except that collective agreement freely entered into are subject to ministerial approval by the minister of labour and productivity. Collectively bargaining in the upstream oil and gas companies is done at the company level. It is the only industry in Nigeria where collectively bargaining is done solely at the company level (Imafidon, 2009). PENGASSAN, with current membership strength of 21,000 in 101 branches (PENGASSAN website, 2009) and NUPENG are the only two unions to which all the represented employees in the industry belong.

There are chapters of the umbrella unions at the company levels and these chapters are the vehicles for collective bargaining with the management of the respective companies. Almost all the upstream, companies run a two years cycle on collective agreement tenures. Typically, there are wage re-openers (i.e. collectively bargaining strictly focused on the cash items of the collective agreement) one year into the two-year agreement (PENGASSAN CBA, 2007). The collective bargaining process in the upstream oil and gas industries transcends the traditional compensation, benefits and working conditions of union members; the unions have been very strident in stretching discussions and negotiations to issues like expatriate quota utilization, promotions, performance management, forms of employment relationships etc. (Imafidon, 2009, fajana, 2009). This is a unique feature of the oil and gas sector: unions in the other sectors stay closer to the traditional content of collective bargaining than the oil and gas. Collective agreement are two parts; the substantive and procedural agreements. The substantive

agreement relates to wages/salaries, hours of works and terms and conditions of employment whilst the procedural agreement pertains to procedures to be followed in the event of dispute resolution, periodicity of meetings, and duration of agreement inter alia. Most labor-management tension is recurrent in their nature because contracts are regularly renegotiated. In the oil and gas sector this is embarked upon every 2 years. According to Sloane and Witney (2004), no contractual issue can ever be said to have been permanently resolved in most cases the unions present a bloated list of demands which is greeted with management's counter offers that are usually lower than the unions demand. In many negotiations, parties exhibit adversarial behaviour leading to a climate of distrust. Animosity and suspicion which often lead to conflict.

According to Dubin (1954), as cited in Rose (2008), collective bargaining is the great social invention that has institutionalized industrial conflict. This implies that without collective bargaining, industrial conflict would threaten not only the industrial order but also social stability. But owing to the varied interest of the parties and their bargaining powers, a consensus is usually arrived at and, in most cases it is usually in favour of the unions especially in the oil and gas sector because of the volatile nature of this sector. Since the employers in the upstream oil and gas industry dear to shut down production for a minute many strike ultimate by the unions even when such demands are exorbitant and unrealistic because of the catastrophic effects of industrial action in the oil and gas industry be it the upstream or downstream sector. Ubeku (1983) has this to say regarding the impacts of strikes on the state/society. "Strikes, especially major one, in a developing country like Nigeria always have dramatic effects on the public. This is particularly so in the

case of certain essential industries. In 1975, a single strike action by tanker drivers who delivers fuel and diesel oil from ports and the only refinery at Port Harcourt to all parts of the country virtually paralyzed the whole Nation. Passenger transport was grounded and industries could not function". The strategic position occupied by the oil and gas industry in Nigeria has given the unions in the upstream and downstream sectors enormous advantage and such could bring economic activities to a total halt whenever their demands are delayed or are not met. Wages and conditions of employment in the Nigerian upstream oil and gas sector have been determined overtime more by the bargaining power of the unions than the traditional markets oriented supply-and-demand determinants. This is true for both the international and the indigenous oil companies (Imafidon, 2009). The union's enormous bargaining power and steadfastness in protecting the interest of their members are likely to be sustained into the future.

Effect of Collective Bargaining Process on Industrial Relations Environment

According to Cole (2002), collective bargaining process begins with the union's claim, which is followed by an initial counter offer from management. Once, management initial response has been made then negotiation can commence in earnest. Cole further points out that in most cases, a settlement is reached without undue delay and acrimony, and the agreed terms of the settlement are published, implemented and subsequently monitored. Each side has therefore to decide its overall objectives or strategy, assess its relative bargaining strength, and in the light of that assessment, decide on the tactics to be employed to achieve an optimum result.

According to Aluchio (1998), the process is that the union submits its problem to management in writing within a reasonable time. Hence, collective bargaining is a union initiated process and that if

employees did not form collectives and demand that employers bargain with them, bargaining might never occur (Bendix, 2001). the process therefore preclude the employer from taking any unilateral action by changing the condition of which bargaining takes place between a negotiation team consisting of top managers and company trade union representatives. The study points out that on the employer side, the management board appoints the term responsible for collective bargaining. On the employees' side, respondents reported that shop stewards initially have meetings with all members with all members to discuss their demands. Subsequently, union representatives gather to decide the collective bargaining proposal and the negotiation team. Thus, evidence suggests that unions make an effort to find out member's demands, but the procedure used to decide the negotiation teams on both sides is generally top-down.

Gomez et al. (2003) explains that parties are said to be showing good faith in bargaining when; they are willing to meet and confer with each other at a reasonable time and place; they are willing to negotiate over wages, hour and conditions of employment; they sign a written contract that formalizes their agreement and binds them to it; and each party gives the other adequate notice of termination or modification of the labour agreement before it expires. Similarly, there should also be a genuine willingness on the part of the parties to give and take at the bargaining table, cooperation and consideration of fairness under the process. Collective bargaining process is thus expected to be fair and legal, and should take place in an environment of trust in order for parties to achieve a workable relationship. Collective bargaining process is therefore expected to affect industrial relations environment. The literature shows that collective bargaining process influences the quality of industrial relations. However, the literature decries the lack or limited scholarly contribution on industrial relations from

developing nations and more so the Africa continent (Pyman et al., 2010; Wood 2008; Wood and Dibben, 2006; and Budhwar, 2003). It is hoped the study will fill this information gap and stimulate more research on industrial relations from this part of the world.

Importance of Collective Bargaining

The following constitutes some of the importance of collective bargaining to employers; it becomes easier for the management to resolve issues at the beginning level rather than take compliance of individual workers; collective bargaining tends to promote a sense of joint security among employees and thereby tends to reduce the cost of labour turnover to management' collective bargaining opens up the channel of communication between the workers and the management and increases workers participation in decision making. To what extent is workers interest or bargaining protected? Collective bargaining plays a vital role in settling and preventing disputes.

Bargaining Power

Bargaining power is a concept related to the relative abilities of parties in situation to extent influence over each other. If both parties are on equal bargaining power, such as a perfectly competitive market or between an evenly matched monopoly and monopony. There are a number of fields where the concept of bargaining power has proven to curtains coherent analysis, game theory, labour economics, collective bargaining arrangement, the price of insurance, diplomatic negotiation, settlement of litigation and are negotiation in general. Bargaining power is often expressed as a ratio of party's ability to influence the other participant, to the cost of not reaching an agreement to the party. i) BPA (Bargaining Power of A) = (benefit and costs that can be inflicted upon B) A'S cost of not agreeing), ii) BPB (Bargaining power of B) = (benefit and costs that can be inflicted upon A) B'S cost of not agreeing).

Analysis

If BPA is greater than BPB, then "A" has a greater bargaining power than "B" and the result agreement will tend to favour "A". The reverse is the case is expected if "B" has greater bargaining power instead simply put bargaining power in negotiation is the ca-pacity of one party to dominate the other due to its influence, power, size or states through combination of different persuasion tactics.

Factors Influencing Bargaining Power

Bargaining power is not the monopoly of either party. Once any of the factors determin-ing it changes, the power and outcome of bargaining may change at any given point in time. This explains why we always say bargaining power is transient in nature. Those factors influencing bargaining power can be categorized into two main groups, namely; internal factors and external factors.

Bases for Bargaining Criticism

Some critics stress the importance of bargaining power in influencing wages and em-ployment, shifting them away from supply and demand equilibrium or replacing supply and demand completely as the determinant of wages. Bargain power may be exercised by employers or both employees. Employer may influence the wages by restricting them, living when the wages are below supply and demand-equilibrium. However, if employer can avoid is competition for labour, they can keep wages down and profit higher. Some critics believe this is possible because labour markets are typically segmented by skill, experience and location. As a result of this segmentation, they feel many labour markets are dominated by one buyer (called monopony), or a few buyers (called oligopson). Employees may also keep their wage costs down by discrimination paying different wages to different workers and as nearly as possible, paying each of the minimum necessary. some employees may accept lower wages that others reject because their

alternatives are limited by gender, race, age, disability or unpredictable personal characteristics having worse alternatives they may accept lower pay and thus, allow employers to expand their workforces without moving up the labour supply curve and paying higher wages overall. Again, strong competition for labour would tend to limit (perhaps not eliminate) wage discrimination.

On the employee's part, labour unions can favour the employee's bargaining power (again) by limiting competition for jobs among the employees and potential employees where this is very successful, it leads to "Collective Bargaining" between the employers and employees. That is the union or a group of unions and the employer or a group of employers together negotiate a contract that determines wages and conditions for a whole group of employees, sometimes a whole industry or a group of industries. This factor may be exaggerated why about 20% of the American Labour Force is unionized, but unions are more important in some other industrialized countries and collective bargaining settlements may influence the wages and conditions for non-unionized employees. Also, a group of employees may find means of limiting their competition in the absence of unions. In the absence of any union, when wages are determined by industrial bargaining, the bargaining of the individual workers may be an important influence on wages. This is especially likely when employers practice wage discrimination.

Types of Collective Bargaining

Richard and McKersie identified four models of bargaining relationships. However, two models were propounded by Chamberlin and Kuhn, all of which would be given equal attention. The types offered by Walton and McKersie are: i) Distribution bargaining ii) Integrative bargaining. iii) Intra-organizational bargaining. iv) Attitudinal structuring, the other

(two propounded by Chamberlin and Kuhn are: i) conjunctive bargaining and ii) Co-operative bargaining.

Empirical Review

A number of empirical articles have analysed the effects of union bargaining on employment growth. Machine and Wadhvani (1991) only observe negative employment effects of union recognition in plants experiencing organizational change, Blanchflower and Burgess (1996) do not find union recognition to be related to the absolute growth rate of employment, and Bryson and Dale-Olsen (2008) use WERS panel data for the period 1998 to 2004 and observe no correlation between employment growth in the private sector and various measures of unionism, also taking into account plant closures.

Bryson and Dale-Olsen (2008) even find positive effects of changes in union density on changes in employment growth. Turning to the United States, Leonard (1992) uses a cross-section of Californian manufacturing plants with collective bargaining grew by 2% to 4% less than in non-unionized plants. Bronars et al., (1994) detect for a sample of large plants from Bureau of Labour Statistics, that a 10% increase in union coverage is associated with a 0.5-1.1% decrease in employment growth. Five (5) newer studies try to establish causal results by employing e.g. a regression discontinuity design which utilizes the fact that legal recognition of a trade union according to the National Labour Relations Act requires an election among the workforce. While Di-Nardo and Lee (2004) find no impact of unionization on hours of work, the findings for nursing homes by Sojourner et al., (2012) are in sharp contrast, their estimates indicate that hours of work (as a proxy for employment) decline dramatically because of union certification.

Methodology

The survey design was adopted for the study. Stratified sampling technique was used to select the respondents for the study. The main instrument of data collection is the questionnaire. Descriptive statistics such as simple percentage and frequency tables were used in the presentation and analysis of data, while the relevant hypotheses were tested using correlation coefficients.

Hypotheses Testing

Pearson Correlation was used to measure the effect of independent variable to the dependent variable of hypothesis 1, to 2 and proper interpretation and analysis techniques were used to explain the hypotheses testing.

Hypothesis (1)

H₀: There is no significant relationship between collective bargaining and collective relations mechanisms and the enhancement of harmonious industrial relations in the oil company.

H₁: There is significant relationship between collective bargaining and collective relations mechanisms and the enhancement of harmonious industrial relations in the oil company.

Descriptive Statistics

	Mean	Std. Deviation	N
Collective Bargaining	1.7324	1.20662	71
Harmonious Industrial Relations	1.8029	1.03675	71

Nonparametric Correlations

		Collective Bargaining	Harmonious Industrial Relations
Collective Bargaining	Bar-Pearson Correlation	.774*	.774**
	Sig (2-tailed)	.000	.000
	N	71	71
Employee's Performance	Per-Pearson Correlation	.774*	.774**
	Sig (2-tailed)	.000	.000
	N	71	71

* Correlation is significant at the 0.05 level (2-tailed).

If the P-value 5% ($P < 0.05$), then r calculated is less than r table (0.412); therefore we reject the null hypothesis and accept the alternative hypothesis.

Interpretation of Result

The result above shows that there is a significant relationship between collective bargaining structured policies and enhancement of harmonious industrial relations in the organization. The correlation coefficient shows that there is a strong positive relationship existing between the dependent and independent variable with the value of 0.774.

Hypothesis (2)

H₀: There is no significant relationship between collective bargaining and collective mechanisms processes and worker's productivity in the organization.

H₁: There is significant relationship between collective bargaining and collective mechanisms processes and worker's

productivity in the organization.

Descriptive Statistics

	Mean	Std. Deviation	N
Collective Bargaining	1.9577	1.22401	71
Workers Productivity	1.5070	.89240	71

Nonparametric Correlations

		Collective Bargaining	Workers Productivity
Collective Bargaining	Pearson Correlation	1	.802**
	Sig. (2-tailed)	.71	.000
	N	71	71
Workers Productivity	Pearson Correlation	.802*	1
	Sig. (2-tailed)	.000	
	N	71	71

* Correlation is significant at the 0.05 level (2-tailed).

Interpretation of the Result

The strategic position occupied by the oil industry in Nigeria has given the unions in the upstream and downstream sectors enormous advantages and, as such, could bring economic activities to a total halt whenever their demands are delayed or are not met. Wages and conditions of employment in Nigerian upstream oil industry and have been determined over time more by the bargaining power of the unions than the traditional market oriented supply and demand determinants. This is true for both the international and the indigenous oil companies (Imafidon, 2009). The unions' enormous bargaining power and steadfastness in protecting the interests of their members are likely to be sustained into the future.

Harmonious industrial relations is a sure panacea for organizational ailments because any move, attempts, strategy and other operational options to get the organization back on its feet may not succeed if the unions/workers are suspicious and antagonistic about the move or intentions of by management of most of the organizations and the genuine efforts of the government to the ailing organizations and the national economy are not yielding expected positive results because of the deep seated mistrust between the workers and the managements of the organizations. Coupled with the problem from out the organizations and the economic recession in question like the global economic meltdown in 2008, united workforces, good management and government will easily over-come the problem than a feuding unions, managements/government agencies.

Conclusion and Recommendations

This paper was set out to examine collective bargaining dynamics in the Nigerian up-stream oil and gas industry. Collective bargaining trends in the oil and gas industry has its own uniqueness comparable to other worker protective systems. The issue of employment relationships in the upstream oil and gas companies form a significant portion of the sources of work stoppages and other forms of industrial disharmony in the sector.

On the basis of these findings it is evident that collective bargaining process and collective relation mechanism had a positive significant effect on industrial relations environment in oil and Gas Sector. The results therefore confirm the validity of the premise that collective bargaining process has a significant effect on industrial relations environment. The study demonstrated that staffs are satisfied with collective bargaining process in the Oil and Gas Sector. This scenario could be applied in other economic sectors parties embraces the spirit of give and take, fairness, commitment and

timely implementation of agreement and two, if management and union officials endeavour to acquire negotiation skills and knowledge in labour relations matters so as to improve the process. The study therefore reaffirms that understanding how parties handle collective bargaining process, is very critical in determining industrial relations environment in organizations. The research therefore contributes to advancement of knowledge on the role of collective bargaining in enhancing harmonious industrial relations in a bid to overcome the economic recession in Nigeria.

Recommendations

The paper recommended that the government, state stakeholders, political, institutional, cultural should be involved in conflict management within an industrial national setup. There should be an improvement in strategic re-orientation, acquisition of negotiation skills, open governance and transparent communication in the joint consultation and management by objective (MBO) to the level of collective bargaining. The research also recommended that strong and effective collective bargaining and collective relations mechanism, and development of enabling employment relations strategies in the Nigerian economic sectors in a very dynamic environment of globalization and competitiveness so that a synergy of productivity, creativity and innovations, social, technological and industrial harmony will be enhanced. These lessons could be learnt and applied at both organizational, industrial sector and national economic development level in Nigeria.

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Perceived Influence of Physical Work Environment on Employees' Performance in Selected Tertiary Institutions in Lagos State.

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Abstract

The study examined the composite (joint) and relative influence of the physical work environment on employees' performance in selected tertiary institutions in Lagos State, Nigeria. A descriptive survey research design was adopted and a sample of 400 respondents was selected from three government owned tertiary institutions in Lagos State, using multi-stage sampling procedures. Data were collected with the use of questionnaire tagged: Physical Work Environment and Employees' Performance ($r=0.92$). Two hypotheses were tested at 0.05 level of significance with the use of multiple regression. The five (5) elements of Physical Work Environment (Office Space, Ventilation, Lighting, Noise and Furniture), which constituted the independent variables jointly predicted employees' performance of the respondents ($R=0.760$). Specifically, the predictors contributed 57.2% ($Adjusted\ R^2=0.572$) to the variance of the criterion variable. This contribution is significant ($F=98.093$; $P<0.05$). Also, each of the independent variables significantly ($P<0.05$) predicted the dependent variables with Office Space having the greatest relative contribution ($\beta=0.312$; $t=7.159$; $P<0.05$). Based on the findings, it was suggested, among other things, that government, especially at Federal and State levels, should create enabling and conducive work environment for tertiary institution employees' by ensuring that office environment