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REVIEW ARTICLE

COLLECTIVE BARGAINING AND NEGOTIATION FOR CONGENIAL INDUSTRIAL RELATIONS IN NIGERIA

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ABSTRACT

Industrial peace and harmony are important in minimizing conflicts in organisations and thus ensuring the maintenance of congenial industrial relations. The paper recognizes though, that conflicts are integral to the process of change and cannot be completely eliminated, and in fact some degree of conflict is necessary and normal. Collective bargaining is the process of negotiation between representatives of workers and employers to establish the conditions of employment. The collectively determined agreement usually covers wages, hiring practices, layoffs, promotions, job functions, hours of work, working conditions and grievance-procedures, rights and responsibilities of trade unions, worker discipline and termination, and benefit programmes. The paper asserts that collectively determined agreement is the most effective process for winning improvements in the working conditions of workers in the workplace and it moderates the arbitrariness of employers.

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INTRODUCTION

The objective of the maintenance of industrial peace is premised on the need to find out ways and means to solve conflicts or to settle differences and also to secure the unreserved cooperation of and goodwill among different groups in industry. This is geared towards driving their energies and interest towards economically viable, commercially feasible, financially profitable, and socially desirable channels. The objective also aims at the development of a sense of mutual confidence, dependence and respect, and at the same time encouraging the different groups to come closer to each other to remove misunderstanding, redress grievances in a peaceful atmosphere and with open mind, and fostering industrial pursuits for mutual benefits and social progress. Conflict is a social phenomenon and a daily reality for everyone. It occurs between any interacting and inter-dependent groups. When two mutually dependent groups seek incompatible goals, conflict ensues. However conflict is integral to the process of change and thus some degree of conflict is needed. As asserted by Litterer (1965) 'conflict can lead to innovation and change, it can energize people to activity, develop protection for something else in the

organization and be an important element in the systems analysis of the organization'. A number of factors have been adduced to be responsible for conflicts, which include poor communication, poor supervisory management or leadership styles, and stress on the job (Akinmayowa, 2005; Onasalase, 1994; Ogbemor, 1997). Industrial conflicts seem inevitable since the dominant aim of management is to maximize profits, while the main concern of labour is to secure and maintain the highest level of wages with the best conditions of service for their workers (Akinmayowa, 2005). According to Iwuji (1987) "all workers are alike in the sense that they desire recognition, satisfaction, fair wages and salaries, security of job, redress of wrongs, and good working conditions". Collective bargaining is the process that has been used particularly in western developed countries, to allow workers to attain these goals and aspirations. Collective bargaining is examined in this paper as a process of resolving conflicts over wages and other conditions of work in which unions and employers willingly negotiate directly and reach mutually agreed solutions for the purpose of achieving congenial industrial relations in Nigeria.

Collective Bargaining

Collective bargaining is a process of voluntary negotiation between employers and organisations of workers aimed at reaching agreements which regulate working conditions. Collective agreements usually set out wage scales, working

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hours, training, health and safety, overtime, grievance mechanisms and rights to participate in workplace or company affairs (Bureau of Labor Statistics, 2008). Collective bargaining is the process of negotiation between representatives of workers and employers to establish the conditions of employment. The parties often refer to the result of the negotiation as a *Collective Bargaining Agreement (CBA)* or as a *Collective Employment Agreement (CEA)*. In many countries, there are national laws and regulations that guide Collective Bargaining and Agreements. In Nigeria the most comprehensive law on this is the Labour Act which mainly seeks to provide "General provisions as to protection of wages, contracts of employment and terms and conditions of Employment" (Labour Act Cap 198 LFN) (Lakemfa, 2008). A collective agreement functions as a labour contract between an employer and one or more unions. A school of thought suggests that collective bargaining is a human right and thus is deserving of legal protection. Article 23 of the Universal Declaration of Human Rights identifies the ability to organise trade unions as a fundamental human right (United Nations, 2007). Item 2 (a) of the International Labour Organisation's *Declaration on Fundamental Principles and Rights at Work* defines the "freedom of association and the effective recognition of the right to collective bargaining" as an essential right of workers (International Labour Organisation, 1998). The right to bargain collectively with an employer enhances the human dignity, liberty and autonomy of workers by giving them the opportunity to influence the establishment of workplace rules and thereby gain some control over a major aspect of their lives, namely their work. Collective bargaining permits workers to achieve a form of workplace democracy and to ensure the rule of law in the workplace. Workers gain a voice to influence the establishment of rules that control a major aspect of their lives (Supreme Court of Canada, 2007).

Conflict Management Styles and Negotiation Strategies

Conflict is one of the significant aspects of communication (Croucher *et al.*, 2012). Hooker and Wilmot (1991 p12) define conflict as "expressed struggle between at least two interdependent parties who perceive incompatible goals, scarce resources, and from the other partying achieving their goals" The generally acceptable conflict styles are; *competing*: which is referred to as having high concern for oneself and low concern for others, *collaborating*: which is having high concern for oneself and high concern for others, *compromising*: having moderating concern for oneself and for others, *accommodating*: having low concern for oneself but high concern for others and *avoidance*: having low concern for oneself and low concern for others (Ma, 2007; Olotuah, 2016).

Negotiating styles can be classified into two: Integrative strategy and the distributive strategy (Liu, 2009).

i. Integrative Strategy

Negotiations are considered integrative when parties involved use a cooperative approach and focus on creating more value for both parties (Lewicki *et al.*, 2006). It is also known as the win-win approach. Relationship building and information exchange tend to occur for cultures that adopt the integrative

strategy (Thompson, 1991). Thompson (1991) posits that by sharing information together, negotiators might be accurate in discerning the interest of the other party. The integrative approach focuses on collaboration among the parties involved in negotiation (Hawes & Fleming, 2014).

ii. Distributive Strategy

This is a competitive aspect of negotiation where a party claims the larger share of the resources (Thompson *et al.*, 1996). It is often referred to as the win-lose approach. Negotiators who use the distributive approach do not bother about the outcome of the other party involved (Han *et al.*, 2012). The distributive approach is determined in terms of individual gains, and it involves claiming value rather than creating value (Olotuah, 2016).

The Nigerian Labour Congress (NLC) Policy on Collective Bargaining

The NLC recognizes collective bargaining as a process of negotiation on a whole range of issues bordering on the regulation of the terms and conditions of employment between workers and employers or government, aimed at collective agreement (Nigerian Labour Congress, 2008). The Congress sees collective bargaining as the most rational process of determining and reviewing the terms and conditions of employment.

The role of the NLC in collective bargaining is stipulated as follows:

- a. Providing support data for negotiations through research
- b. Continually reviewing the national minimum wage and ensuring that its negotiation involves broader consultations with all stake holders
- c. Influencing labour legislation
- d. Ensuring acceptance of collective agreement in all sectors of the economy.
- e. Intervening in industrial disputes with the aim of strengthening its affiliates
- f. Enhancing the bargaining capacity of affiliates
- g. Ensuring adequate protection for negotiators against possible victimization
- h. Ensuring that collective bargaining is gender sensitive and serve to enhance the interest of women.
- i. Ensuring that collective bargaining take into account the need to protect industry and work organisation.

Industrial peace and harmony

Harmonious relations promote efficiency, productivity, and decent work. Participative and mutually respecting industrial relations advance cooperation, enhance productivity and promote trust, thereby reducing antagonism and exploitation. The role of unions is unique in addressing the core issues of wages, working conditions and job security. Indeed, enabling the environment is the outcome of the government policies duly endorsed by the employers and workers.

Significance of good Industrial Relations or Industrial Peace (MBA notes, 2009)

1. Industrial Peace: - Cordial industrial relations bring harmony and remove causes of disputes which lead to industrial peace necessary for productivity and growth.
2. Higher Productivity: - Due to cordial industrial relations, workers take interest in their jobs and work efficiently which leads to higher productivity and production and thus contribute to economic growth of the nation.
3. Industrial Democracy: - Sound industrial relations are based on consultation between the workers and management which help in establishment of industrial democracy in the organisation.
4. Fair Benefits to Workers: - The Workers should get sufficient economic and non-economic benefits to lead a happy life. It is possible when relations between workers and management are cordial and productivity is high.
5. High Morale: - Good industrial relations imply existence of an atmosphere of mutual cooperation, confidence and respect within enterprise. In such an atmosphere, there are common goals, which motivate all members of organisation to contribute their best.
6. Facilitation of change: - By creating a climate of cooperation, and confidence make the process of change easy. Hence, full advantage of latest inventions, innovations and other technological advancements can be obtained. Thus, smooth industrial relations are necessary and useful to employers and employees.

Conclusion

Negotiation is the most effective of all conflict-resolution strategies. Collective bargaining is important in view of the need to achieve social, political, and economic transformation through increased productivity, job security, motivation, and involvement in union activities. It is also vital in order to raise the awareness of workers, build and strengthen trust for unions, and to broaden participation of workers and trade unions in policy formulation and implementation. Given the need to ensure speedy resolution of conflicts collective bargaining is required for industrial peace and harmony. Rapid industrial growth and high industrial productivity are possible when smooth industrial relations exist.

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