# COLLECTIVE BARGAINING PROCESS AND ITS INFLUENCE ON LABOUR RELATIONS EQUILIBRIUM IN PUBLIC EDUCATION SECTOR IN KENYA

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This paper will examine the influence of collective bargaining process on labour relations equilibrium in the public education sector in Kenya.

#### **ABSTRACT**

The purpose of this study was to establish the influence of collective bargaining process on labour relations equilibrium in public education sector in Kenya with a view to instil labour relations harmony to enhance labour productivity and in turn improve performance in public education sector, achieving economic growth, and enhancing living standards and quality of life. The study adopted a descriptive survey design. The target population of this study was 326,732 which comprised of employers (TSC staff and public universities council members), employees (academic and non academic) and the ministry of labour employees. The study population was 450 which comprised of the university registrars administration and the deputy vice chancellors administration of the 22 public universities in Kenya, TSC staff dealing with employee relations issues, the trade unions executive officers at the national level and the ministry of labour Nairobi office employees. In this study a census inquiry was used. The research instruments were the questionnaires. Quantitative and qualitative data was analyzed by the use of SPSS for production of graphs, tables, descriptive statistics and inferential statistics. It is recommended that parties to

labour relations in the public education sector in Kenya should ensure that there is an effective collective bargaining process to enable the public education sector manage strikes, now ranking as one of the top problem in all sectors particularly the public education sector in Kenya and globally, and the resulting losses that they create.

**Keywords** – labour relations equilibrium, collective bargaining process, ministry of labour, public education sector

#### 1.0 Background of the Study

Labour relations equilibrium refers to a friendly and cooperative agreement on working relationships between employers and employees for their mutual benefit (Laden, 2012). According to Puttapalli and Vuram (2012), labour relations harmony is concerned with the relationship between management and employees with respect to the terms and conditions of employment and the work place. Labour relations harmony thus covers four broad areas of cooperation: responsibilities, employment policy, collective bargaining, and communication and consultation. Labour relations equilibrium enhances labour productivity and in turn improves performance in the education sector, achieving economic growth, and enhancing living standards and quality of life. It creates a peaceful working environment conducive to tolerance, dialogue and other alternative means of resolving labour disputes (Laden, 2012).

Education sector in an economy remains one of the most powerful engines for economic growth. It acts as a catalyst to transform the economic structure of countries from simple, slow growing and low value activities to more vibrant and productive economies. Education is recognized as a principal contributory factor to boost productivity of workers by generating skills that raise their working capacity, leading to economic growth (Hill Kent, 2005); Bloom et al, 2006; Galiani et al, 2008). This productivity gains can be contributed to enhancement of the income level of the individuals as well as the economy.

Apart from these direct economic benefits, indirect social benefits such as better work habits, particularly a greater awareness of time and more internalized norms that would make them more dependable, can be realized through better education which contributes to economic development process. Lower crime rates, greater participation of people in the regional development activities, greater awareness of human achievement, an appreciation for cultural diversity and spill over the knowledge among the colleagues and neighbours are indispensable requirements for efficient use of material resources to achieve fruitful results of the development activities. Endogenous growth theory asserts that investment in human capital will significantly contribute to economic growth, and indeed foster development (Romer, 2011). Education sector may be looked global, regional and local perspective.

In the west, particularly, countries under organization for economic co-operation and development (OECD) the single-most important engine of growth over the past three decades is the human capital (OECD, 2000). In UK, through both direct and secondary or multiplier effects, the higher education sector generated over £73.11 billion of output and 757,268 full-time equivalent (FTE) jobs throughout the economy. The total employment generated was equivalent to around 2.7% of all the employment in 2011 (Kelly, 2011). In the east, education sector is vibrant. The relationship between education and GDP is positively correlated. In Africa, in 2012, the inequality adjusted

index revealed losses of approximately 35% in the HDI value for most countries due to inequality in life expectancy, education and income across the population.

In Kenya, human capital matters for economic development. The quantity and Quality of human capital is determined by health and education outcomes. In this regard, health and education spending accounts for 2.2 percent and 6.4 percent of GDP, respectively. The spending on education is comparable or higher than in other peer countries, which is good. However, education outcomes depend also on the quality of service provision, and here there is lot of room for improvement, in the efficiency and effectiveness of the education system.

Industrial relations system in Kenya is anchored on the International Labour Organization's Convention No. 150 of 178 on Labour Administration. This is domesticated through the Industrial Relations Charter (1984) and the Labour Relations Act (2007). The system provides for consultation between representatives of employees, employers and government within a tripartite framework on issues affecting workers and employers. The consultation is expected to be undertaken through joint industrial councils. The system envisages that such consultations start at the shop floor levels, cascading to the national levels. Kenya also has a host of institutions of social dialogue. These include the National Labour Board, National Council for Occupational Safety and Health, Wage Councils and the Industrial Court. The role of these institutions is to promote social dialogue and industrial harmony (RoK, 2013).

#### 1.1 Statement of the Problem

Labour relations have an important "value in use" in establishing consensuses between the parties involved (Estanque & Costa, 2011). For the necessary labour relations equilibrium to exist the employer and employee organizations should have a relative balance of bargaining power. This equilibrium state of power is the key to the success of the labour relations system, and if this equilibrium is lost it becomes difficult to reach consensus based and balanced solutions. (RoC, 2011 -2015).

In Kenya, from 1995 to 2000 a total of 381 strikes had been experienced (Minja & Aswani, 2009). In 2010 the Ministry of Labour recorded 82 strikes. According to Industrial Court Disputes Register the reported disputes increased from 159 in 2007 to 1624 in 2010. The economic survey 2011 indicates decline of CBAs to 266 in 2011 compared to 297 in 2009. From 2010, 2013 the Ministry of Labour indicated 10,339,818 lost man hours.

According to Mutoro & Malalo, (2011) the public education sector experience strikes each year, in the year 2012 there was a university academic and non academic staff strike. Further observations shows that in 2013 there was a nationwide strike by teachers; this was followed by the March 2014 strikes by teaching and non-teaching staff of the public universities and the January 2015 nationwide strike by teachers which crippled activities in public schools.

Strike and labour standoff is a sign of industrial disharmony which translates to a state of disequilibrium in labour relations (Mathis & Jackson, 2008). Several local studies in Kenya (Nzioki, 2013; Grace, 2007; Mwamzandi, 2011; Christine et al, 2013) relate to labour relations and have clearly shown the state of disequilibrium in labour relations; however none of these studies clearly explain the factors which tilt the state of equilibrium and harmony in labour relations. This study

therefore examines the influence of collective bargaining process on labour relations equilibrium in public education sector in Kenya.

# 1.2 Objectives of the Study

The overall objective was to evaluate the influence of collective bargaining process on labour relations equilibrium in the public education sector in Kenya

## 1.3 Study Hypothesis

To achieve the above objective the following hypothesis were developed;

**Ho1:** Collective bargaining process has no positive significant influence on labour relations equilibrium in the public education sector in Kenya.

**Ha1:** Collective bargaining process has a positive significant influence on labour relations equilibrium in the public education sector in Kenya.

## 2.0 Theoretical/ Empirical Review

The study will be grounded on five major theories namely: Unitary Theory, Marxist Theory, Comparative Employment Relations theory, Systems Theory, and Pluralist Theory.

# 2.1 Unitary Theory

The main elements of unitary theory are that there is only a single source of authority that is management. The role of organizational leaders is to promote loyalty and commitment among workers (Farnham, 2000). Organizations are seen as consisting of teams that are working together for mutual goals, and there are also no conflicts of interests between managers and employees. The unitary theory believes that employers and employees can join forces for common objectives, interests, and values and that the management should exemplify strong leadership to attain organizational objectives. According to Rose (2008) trade unions under the unitary perspective are regarded as an intrusion into the organization from outside, competing with management for loyalty of employees. Trade unions are seen as a cause of industrial conflict thus not essential for the harmonious managing of conflicts. Conflicts in the organization are hence perceived as dysfunctional and often leading to disloyalty, and as a consequence impair the well-being of the organization (cooper et al., 2011). The state is seen as a paramount contributor in the formulation of industrial relation systems.

#### 2.2 Marxist Theory

Marxists like Pluralists regard conflicts between employees and employers as inevitable. Marxists however see conflict as a product of the capitalist society. The adversarial relations in the workplace are simply one aspect of class society. The Marxist focuses on the type of society in which an organization functions. Conflicts arise not just because of competing interests within the organizations but because of the division within the society between those who own or manage the means of production and those who have only their labour to offer. Industrial conflict is thus seen as synonymous with political and social unrest which the researcher concurs with (Aswathappa, 2009).

Trade unions are seen both as labour reaction to exploitation by capital, as well as a weapon to bring about a revolutionary social change. Hence, concerns with wage- related disputes are secondary which the researcher disagrees with, since wage related disputes dominate industrial actions in Kenya and world over. Indeed, an adequate wage is a motivation of employees joining

organizations. Moreover, trade unions focus on improving the position of workers within the capitalist system and not to overthrow which the researcher agrees with (Singh & Kumar, 2011).

# 2.3 Comparative Employment Relations theory

Comparative Employment Relations theory is an interesting area of inquiry on the ground that employment relations institutions are substantively unimportant, mostly anti-market and transitory from a long-run perspective. The task of this theory is to identify the variables that generate conflictive interests and the institutions and practices designed by the three actors to ameliorate and resolve the conflicts (Kaufman, 2009). Poole identified the state of economic development, the strategies of the actors, cultural values and ideologies, the nation's political - economic structure, the power of the actors and the institutional structure of firms, employment relations organizations as primary explanatory variables. Barry and Wilkinson (2011) the theory's development has only made modest and incomplete progress.

# **2.4 Systems Theory**

The Systems Theory was developed by John Dunlop a sociologist in 1958. Dunlop is credited with the application of the Systems Approach to Industrial Relations (IR). He visualized IR to be a systematic construct namely, as a sub-system of society. Systems Approach essentially comprises four processes which include input acquisition, input transformation, output and feedback. An organization is considered an open system, existing in a context called environment. The organization influences its environment as well as gets influenced by the environment (Singh & Singh, 2011).

The environment may comprise social, political, technological factors and depends on organizations for essential supplies and to receive its outputs. The environment also influences the various processes of acquisition, transformation and delivery of outputs. IR system at any one time in its development is regarded as comprising certain actors and body of rules created to govern the actors at the workplace and work community (Singh & Kumar, 2011). This arrangement exists in Kenyan Industrial Relations.

Creation of rules according to Dunlop is the output that an IR System seeks to create. Rules in this context comprise one, rules governing all forms of compensation. Two, the duties and performance expected of workers including rules for maintaining discipline. Three, rules defining rights and duties of employers and employees including legislation and terms of collective agreements. Four, procedures for establishing rules, and Five, procedures for application of rules (Sivarethinamohan, 2010).

The rules are the output of IR. In the input transformation and feedback processes and their interaction, three 'actors' are involved. They include managers and their organizations, workers and their organizations and state and its agencies concerned with workplace. The actors in Kenyan context include the Kenyan Government represented by the Ministry of Labour, the employers and employers' organization and the Trade Unions. The actors do not function in isolation but in an environmental context. The technical context of workplace relates to how work is organized and the state of technology that is whether it is labour or capital intensive (Ikeanyibe & Onyishi, 2011).

The market context or the revenue related context comprises product demand, market growth, number of competitors and profit margins. The power context is how power is distributed among

the three 'actors'. The three 'actors' hold common belief that employees are entitled to demand for a minimum quality of living. Besides, discussion and bargaining must be the preferred way to solve disputes and that the state does not have limited but clear roles as an arbiter in certain matters (Singh & Singh, 2011).

#### 2.5 Pluralist Theory

The theories on Pluralism evolved in the mid-sixties and early seventies when England witnessed a dramatic resurgence of industrial conflicts. The recent theories of Pluralism emanate from British Scholars and in particular Allan Flanders who is regarded as the Chief theorist of Pluralism. He was a senior lecturer at Oxford School from 1949. The Pluralistic approach perceives organizations as being made up of powerful and divergent sub groups, each with its own legitimate loyalties, set of objectives and leaders. This is evident in public education sector which have management and labour unions each pursuing different interests (Ikeanyibe & Onyishi, 2011).

Pluralist theory tends to see conflict as inherent in workplaces. In pluralism, the organization is perceived as being made up of powerful and divergent sub-groups, each with its own legitimate loyalties and with their own set of objectives and leaders. In particular, the two predominant sub-groups in the pluralist perspective are the management and trade unions (Polsby, 2006). Consequently, the role of management would lean less towards enforcing and controlling and more toward persuasion and co-ordination. Trade unions are deemed as legitimate representatives of employees; conflict is dealt by collective bargaining and is viewed not necessarily as a bad thing and, if managed, could in fact be channeled towards evolution and positive change (Gad, 2003).

#### 2.6 Empirical Review

If partners in labour relations play their roles as expected, labour relations equilibrium will be achieved. Rittau and Dundon (2009) in their study examined the roles and influence of shop stewards under the partnership regime in Ireland. The duo has asserted that partnership rarely if ever involves the true distribution of power between equals. They contend that unions can be coerced into accepting partnership when faced with unpalatable alternative. Similarly traditional form of consultation and collective bargaining may be hollow and fail to deliver effective involvement in management decision making. In Ireland a number of parallels are evident (Roche & Geary, 2006; Geary, 2008). In particular, Dobbins and Gunnigle (2009) argue that the balance of mutuality may be skewed to management yet that does not necessarily diminish the value of partnership for workplace union stewards.

Confrontational approach by labour unions developed out of the basic assumption that employers would not willingly grant improvement to pay and conditions of employment. (Jerome & O'dowd, 2005). Nzioki (2013) in her study examined the effects of the roles of social partners on the performance of state corporations in Kenya. The study provides evidence on the roles of the social partners and how they have affected the performance of state corporations. She observed that the registrar of trade unions had not avoided overlapping of trade union areas of activity and the Ministry of Labour had not adequately played its key role of dispute settlement between employers and trade unions. There is need to adopt the mechanism and implement it effectively through specific practices (Lee & Rolee, 2009). Unions at the enterprise are part of the management and most times acted against workers. The increased controls and employee participation has significant challenges for employers including higher labour costs, less management autonomy, stronger

employee bargaining power, and weaker control of labour mobility (Cafolla, 2009; Chen & Funke, 2009; Froissart, 2006).

When interest rates are lowered, more people are able to borrow more money and as a result consumers have more money to spend, causing the economy to grow and inflation to increase (Folger, 2012). Mwamzandi (2011) tried to find out to what extent social and economic factors affect industrial action in parastatals in Kenya. The major findings indicated that the recent wave of strike in parastatals was as a result of the increase in inflation. The study recommends that government policies on inflation, taxation and interest rates should not negatively affect the net salary of employees or create a further burden on the economic growth and survival of an employee and this can be done through creating pay slip adjustments on inflation, taxation and interest rates. Mutua (2012) argues that one of the reasons why employees pay taxes is because one person cannot afford to fully pay for a service they use and thus it is the responsibility of governments to collect taxes in order to fund public goods and services for the benefit of the citizens.

Unemployment and casualization have undermined union membership and reduced union strength. Hence, this needs to be taken into account in labour laws and industrial relations if unions are to play any part in future. The economic recession since 1970s has made the west and its international financial institutions like the World Bank and International Monetary Fund (IMF) to propound structural adjustment measures as a panacea to the economic downturn (Ikeanyibe & Onyishi, 2010). The adjustment measures have affected industrial relations and labour practices. Many organizations have reduced labour costs through retrenchment, casualisation and use of contract workers.

Labour relation is an essential predictor of organization success. Labour relation is one of the key elements in the system of labour administration (Goolsarran, 2006). Grace (2007) in her study on employee perception of labour relations in Kenya commercial Bank revealed that the main cause of moderate labour relations in the sense of flow of information from the managers to the employees under them and the main cause of conflicts is poor communication followed by social relations. KCB needs to encourage all cadres of employee to participate in decision making especially if such decisions affected their lives and day to day performance of their duties. Other studies propose ways for the banks to survive competition to include more corporate responsibility (Thuo, 2006) and relationship between employee participation in decision making and motivation in commercial banks (Boen, 2006)

#### 3.0 Methodology

The study adopted a descriptive research design. A research design is a logical thread which holds together all the crucial aspects of the research together so that they can derive meaning (Kothari, 2004). It is a process through which research questions are asked and answered (Mugenda & Mugenda, 2003). Descriptive study is one that is undertaken with a view of offering the researcher a profile or to describe relevant aspects of the phenomena of interest from an individual, organization, organizational, industry oriented, or other perspective (Sekaran, 2009; Bryman & Bell, 2007; Ghauri & Gronhaug, 2005; Emory & Cooper, 2003). This design method, presents procedures for collecting, analyzing and linking both quantitative and qualitative data in a single study (Creswell, 2005). The purpose of descriptive research is not only restricted to fact findings, but often results in formulation of important principles of knowledge and solution to significant problem (Kombo & Tromp, 2010).

The study adopted both quantitative and qualitative approach. Quantitative approach emphasizes data measurement and analysis in numerical form to give precise description. Quantitative approach places emphasis on methodology, procedure and statistical measures to test hypothesis and make predictions (Berg, 2004). Qualitative research approach helps in analysing information in a systematic way in order to come to some useful conclusions and recommendations on the social settings and the individuals who portray the characteristics (Cobertta, 2003).

## 3.1 Sampling and Sample Size

A sample is a subset of population (Hyndman, 2008). Marczyk and Festinger (2005) defined a sample as subset of the population to be studied. Newing (2011) defines a sample as a subset of sampling units or cases for which data are collected. Yang (2008) states that the word 'sample' refers to the subset of a population. Therefore the goal of a research is to examine a sample and then generalize the results to the population. How accurately a researcher can generalize results from a given sample to the population depends on the representativeness of the sample. The degree of representativeness of a sample refers to how closely the sample mirrors the population (Gravetta & Forzano, 2006). Kasomo (2007) has explained that a sample size is the number of units in a sample and that the assumption behind sample size is that it is representative of the population from which it is drawn. Gal and Gal (2008) define sampling as a process of selecting a number of individuals in such a way that they represent the large group.

As result of the small number of the study population (450), it was possible to collect data from the entire population hence a census inquiry was used. A census is suitable when the universe is small and can be presumed to yield the highest accuracy as no element of chance is left since all items are covered (Kothari, 2004). The approach has been used in past studies with similar sampling frames (Okatch, 2012; Simon, 2013; Nixon, 2011)

In order to test sampling adequacy, the Kaiser-Meyer-Olkin (KMO) which is an index for comparing the magnitudes of the observed correlation coefficients to the magnitudes of the partial correlation coefficients was used. A large value for KMO would indicate adequacy of relationship warranting factor analysis (Coopers & Schindler, 2006). The KMO statistic ranges from 0 to 1 with 0. 60 considered the minimum to conduct a factor analysis while 0. 70 is deemed most adequate (Amin, 2005).

#### 3.2 Measurement of variables

The dependent variable for this study which is labour relations equilibrium and independent variable collective bargaining process were measured by the use of dichotomous and multiple choice questions. The regression analysis was used to test the variation of the dependent variable explained by the variation in the independent variables by calculation of the R2 and adjusted R2 statistics. Logistic regression analysis was used to determine whether the independent variables predicted the dependent variable (Bryman & Bell, 2007). Labour relations equilibrium, as the dependent variable was regressed against the independent variable knowledge of industrial relations.

## 4.0 Findings

Respondents were asked the number of strikes that the public education sector face per year. Majority (86%) stated that they range between 1 to 10 strikes per year, 10% said between 11 to 20 strikes per year and 4% refuted this i.e. no strike at all. Exploring more on how long on average

does this strike take, most respondents (68.3%) stated 2 months, 15.4% said 2 weeks and 16.3% said 5 days on average. Further probe on how often did the respondent experience employees' grievance in the public sector, 81.1% settled for mostly, 12% said sometimes and 6.9% opted for in rare cases.

Enquiring on the time taken to solve a complaint (duration of handling process) surprisingly, majority (90.9%) said indefinitely, 7.1% were for 6 weeks and 2% opted for 2 weeks. An opinion was sought as well on the top management whereby 80.1% rate them as bad, 14.9% as fair and 5% as good. Respondents were also asked to state their position in education sector compared to other sectors and majority (60.1%) said lower than others, 32.7% on par with others and 7.2% better. The study also sought to know the various ways of achieving industrial peace where as expected, majority (74.6%) showed their support for increased wages/other monetary benefits. 12% were in favour of increased facilities and amenities, 8% did not have any say and least (5.4%) said it could be done through counseling individual employees.

The study also sought to find if lack of cooperation from top management was the main reason for grievance in public education sector.78.3% showed their support by saying yes while 21.7% disagreed by stating no. On whether respondent thought the complaints/grievances were taken care of well in public education sector, 81.4% said no, 16.6% said yes while 2% were not sure about it. Further it was also asked whether the party which submits the grievance always satisfied with the way the grievance is settled. Majority (99.9%) disagreed as to being satisfied while the remainders (0.9%) were not sure. Most of respondents (96.9%) said they were not satisfied with existing grievance settlement system while 3.1% were satisfied.

In addition, 94.9% of the respondents were of the opinion that all the labour relations parties were not performing their responsibilities effectively while equally (3.1%) on divide opinion for effective performance and being not sure about it respectively. As to whether trade unions and employers do reach collective agreements with reasonable time frame, 94.6% said no while 5.4% said yes. Investigating on whether Collective Bargaining Agreements (C.B.A) reached are implemented, almost all respondents (97.7%) said no while a few (2.3%) were not sure about it.

Majority of the respondents (96.6%) said that unions and management did not act complementarily for the cause of industrial peace and other proportion (3.4%) were not sure about acting complimentarily by unions and management.72.6% disagreed (said no) to a labour information being available and transparent. To add to this, 63.4% said no to the question about information flowing among the players without interruption while 36.6% stated yes to information flow. Also opinion on whether employment policy in place is effectively adopted was sought where 95.1% said no and 4.9% agreed to effective adoption of policy in place. A hundred percent of the respondents said that employees were dissatisfied with management's offers.

A larger proportion (83%) showed that most disputes are resolved through bilateral negotiation, 12% through arbitration and 5% through a conciliator. Respondents were asked whether labour relations players prefer collective bargaining in solving labour disputes and majority (81.1%) said no while 18.9% said yes. On whether respondents think parties involved in collective bargaining use due/legal influence was followed by an overwhelming said no (93.4%) response while a few (6.6%) gave a yes response. Also on whether failure of collective bargaining the potential cause for strike/lock out lead to most respondents (80%) agree by choosing yes, 17.4% were refuted this and

2.6% were not sure. On finding out whether all the employees' terms and conditions of employment determined through collective bargaining 2.5% gave a yes response, 95% gave a no response and 2.5% were not sure

The sturdy sort to find out if the agreed terms of the settlement are implemented 11.4% said no, 86% said yes while the remaining percentage 2.3% were not sure. Also the study sought to know whether collective bargaining process in place are fair and legal, found that 88.6% said no, 9.7% were in agreement that collective bargaining are fair and legal and a small proportion (1.7%) were not sure. All the respondents disagreed on question as to whether all the employees' terms and conditions of employment determined through collective bargaining. Further study also investigated the dispute settlement reached without undue delay and ill will, 94.9% said no while 2% were in agreement and others 3.1% were not sure.

To find out whether there is fairness in the way the collective bargaining agreements are implemented 94.9% said no, 5.1% said yes. On whether agreed terms of the settlement subsequently monitored 97% of the respondents said no while 2.6% were not sure. Finally on whether there is trust between management and trade unions during the collective bargaining process 96.9% said no while the remaining percentage 3.1% said yes.

Respondents also gave their views on the period taken for collective bargaining agreement to be implemented. 90% said that CBA are not implemented at all while 7% represent those who thought it takes between 1 to 90 days and others (3%) stated that it take more than 90 days. The study also sought to know whether all the parties to the collective bargaining are involved in the collective bargaining processes, majority of the respondents (93.7%) disagreed to this, 2.3% were not sure and 4% said yes that is all parties are involved in collective bargaining process.

#### 4.1 Correlation Analysis Results

The study sought to establish the strength of the relationship between party's recognition in labour relations, collective bargaining process, knowledge of industrial relations, arbitration mechanisms, and attitude among labour relations parties and labour relations equilibrium. To achieve this, Spearman's rank correlation was carried out since labour relations equilibrium was dichotomous and consequently in nominal measurement scale. According to Kothari (2004), product moment correlation should be carried out if and only if both dependent and independent variables are in either ratio or interval scale and if this condition is not satisfied then Spearman's rank correlation should be applied to test the strength of the relationship. Correlation coefficient as measured by rho ranges between -1<rho<+1. If correlation coefficient is +1 then there is a perfect relationship whereby an increase in the dependent variable is associated with an increase in the predictor variable and if negative there is an inverse relationship whereby an increase in the dependent variable is associated with a decrease in the predictor variable (Kothari, 2004). A correlation coefficient close to either +1 or -1, indicates there is a strong relationship (Kothari, 2004: Oso & There was a significant positive relationship between labour relations equilibrium and collective bargaining process (rho = 0.210\*\*, p-value <0.05). Therefore, an increase in collective bargaining process leads to an increase in labour relations equilibrium.

# **4.2 Regression Analysis Results**

A test of the full model against the constant only model was statistically significant, indicating that collective bargaining process had a positive influence on labour relations equilibrium in the public

education sector in Kenya (Chi square=24.587, p-value <0.05 with d.f= 1). Nagelkerke R squared of 0.597 and R of 0.773 indicated a strong positive relationship between collective bargaining process and labour relations equilibrium. This means that 59.7% of total variability in the dependent variable (labour relations equilibrium) is explained by collective bargaining process. On overall prediction, success was 80.1%: From the classification Table, 79% for no labour relations equilibrium and 82% for labour relations equilibrium. The Wald criterion demonstrated that collective bargaining process made a significant contribution to prediction of labour relations equilibrium (β=0.160, Wald =20.393 and p-value <0.05). B column indicates the magnitude and direction of the given independent variable in relation to labour relations equilibrium. The coefficient gives us the change in proportion of labour relations equilibrium given a unit change in collective bargaining process. It can be concluded that effective collective bargaining process in the public education sector increases the likelihood of labour relations equilibrium by 0.160. Exp (B) value indicated that when collective bargaining process increases by one unit, the odds ratio is 1.174 times as large and therefore this public education sector attribute of having an effective collective bargaining process is more likely to lead to realization of labour relations equilibrium as summarised in equation 1.

Logit (p) = 0.598+0.160 (collective bargaining process)...... Equation 1.

# 4.3 Hypothesis Testing

The study hypothesized that collective bargaining process has a positive significant influence on labour relations equilibrium in public education sector in Kenya. The study findings indicated that there was a positive significant relationship between collective bargaining process and labour relations equilibrium ( $\beta$ =0.160, Wald =20.393 and p-value <0.05). This therefore means that an increase in collective bargaining will increase labour relations equilibrium in the public education sector in Kenya. Since the p-value <0.05) the null hypothesis that collective bargaining process has no significant influence on labour relations equilibrium in public education sector in Kenya was rejected and the alternative hypothesis accepted. It was therefore concluded that collective bargaining process has a positive significant influence on labour relations equilibrium in public education sector in Kenya.

#### **5.0 Discussions**

The Wald criterion demonstrated that collective bargaining process made a significant contribution to prediction of labour relations equilibrium ( $\beta$ =0.160, Wald =20.393 and p-value <0.05). B column indicates the magnitude and direction of the given independent variable in relation to labour relations equilibrium. The coefficient gives us the change in proportion of labour relations equilibrium given a unit change in collective bargaining process. It can be concluded that effective collective bargaining process in the public education sector increases the likelihood of labour relations equilibrium by 0.160. Exp (B) value indicated that when collective bargaining process increases by one unit, the odds ratio is 1.174 times as large and therefore this public education sector attribute of having an effective collective bargaining process is more likely to lead to realization of labour relations equilibrium

Collective bargaining process had a positive relationship with labour relations equilibrium in public education sector in Kenya. This necessitated rejection of the null hypothesis that collective bargaining process does not affect labour relations equilibrium in public education sector in Kenya.

Three factors namely, fairness of the process, willingness of parties to negotiate, and concern for other parties view point contributed to collective bargaining process influencing labour relations equilibrium in public education sector in Kenya.

This corroborates an empirical study by Trif (2005) that collective 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 team responsible for collective bargaining. The finding that collective bargaining process in place is not fair and legal contradicts the literature by Gomez et al (2003) as quoted in Patrick (2013) 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.

#### **5.1 Conclusions**

Collective bargaining process had a statistically positive significant influence on labour relations equilibrium in public education sector in Kenya. Collective bargaining takes place between a negotiation team consisting of top managers and trade union representatives. On the employer side, the management board appoints the team responsible for collective bargaining. The study revealed that collective bargaining process had a positive significant effect on industrial relations environment in public education sector in Kenya. Also, collective bargaining made a significant (and positive) contribution to industrial relations equilibrium. This implies that a flawed process that is perceived to be unfair is likely to result in poor labour relations environment and vice versa.

The findings indicated that confrontational relationship existed between the partners. Hence, employees used strikes to force their rights to be addressed. It was a common feeling that management had been rigid on employees' demand for their rights and hence unless employees agitated for their rights nothing would be granted. Partnership should exist among the social actors since there were rules of play of how far each could go in agitation for rights for labour relations equilibrium to be realised.

The findings concluded that collective bargaining process was not fair and legal. For there to be labour relations equilibrium in the public education sector in Kenya, parties should show 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.

The finding that collective bargaining process in place is not fair and legal contradicts the literature by Gomez et al (2003) as quoted in Patrick (2013) 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.

#### **5.2 Recommendations**

In general, the results provide labour relations parties in public education sector in Kenya with important insights by highlighting the benefits that the public education sector can derive through an effective implementation of determinants of labour relations equilibrium. In particular, the three key stakeholders in tripartism as representatives of the government, employers and employees respectively can gain a deeper understanding of these determinants of labour relations equilibrium to harmoniously settle disputes in public education sector which experiences strikes each year which is a sign of industrial disharmony which translates to a state of disequilibrium in labour relations. This is because the proposed model can serve as a guide for realizing labour relations equilibrium within the sector.

Specifically, factors associated with labour relations equilibrium need to be accorded special attention as they have shown to have the greatest impact on labour relations in public education sector in Kenya. Thus adoption of strategic orientation initiatives like effective bargaining process should be vigorously pursued by parties to labour relations in the public education sector in Kenya. Top management commitment should be accorded priority number two as the commitment of the top managers (decision makers) and participation in collective bargaining gives an impression of their support in realization of labour relations equilibrium. Undoubtedly, failure of the top management to support or understand the need for collective bargaining would result in labour relations disequilibrium.

#### **5.3** Areas for Future Research

The study of collective bargaining process concentrated on only four sub-variables. It was not possible to study all factors that determine success of collective bargaining process. From the findings 59.7% of total variability in dependent variable is explained by collective bargaining. Without a doubt, other factors come into the interplay and provide perceptive results to the issue of collective bargaining process influencing labour relations equilibrium in the public education sector in Kenya.

The study relied on quantitative data where the respondents were asked to select from the explicit options on the item in the instrument. But some success factors of labour relations equilibrium are known to be strategic and dynamic in nature. Therefore, a longitudinal study would be more preferable as it could provide a better perspective of the determinants of labour relations equilibrium in public education sector in Kenya in addition to further informing the policy frameworks of labour relations.

Lastly, the findings presented in this study are based on the effect of collective bargaining process on labour relations equilibrium in public education sector in Kenya. Future research should be extended to the entire education sector and other sectors in Kenya.

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