



Faculty of Social Sciences and Humanities

**Exploring the Importance of Power Relationship in Collective
Bargaining Process: A Study in the Nigerian Context**

Dan-mallam Yakubu Abigail

**Doctor of Philosophy
2023**

Exploring the Importance of Power Relationship in Collective Bargaining
Process: A Study in the Nigerian Context

Dan-mallam Yakubu Abigail

A thesis submitted

In fulfillment of the requirements for the degree of Doctor of Philosophy

(Industrial and Employment Relations)

Faculty of Social Science and Humanities

UNIVERSITI MALAYSIA SARAWAK

2023

DECLARATION

I declare that the work in this thesis was carried out in accordance with the regulations of Universiti Malaysia Sarawak. Except where due acknowledgements have been made, the work is that of the author alone. The thesis has not been accepted for any degree and is not concurrently submitted in candidature of any other degree.



.....

Signature

Name: Dan-mallam Yakubu Abigail

Matric No.: 19010139

Faculty of Social Science and Humanities

Universiti Malaysia Sarawak

Date :

ACKNOWLEDGEMENT

First and foremost, I praise God for all his infinite mercy and blessings upon me throughout my PhD Program.

I would like to take this opportunity to appreciate those who contributed directly or indirectly to this thesis. My special thanks goes to my wonderful supervisors Dr. Dzulzalani Bin Eden and Associate Professor Ahmad Nizar Bin Ya'akub as well as Co-supervisor Dr Haslina Hashim for their professional guidance throughout the study. Also, I would like to appreciate my Deakin supervisor Dr Amanda Coles and also Prof Alexander Newman, Dean of Faculty of Business and Law Deakin University, Australia for supervising my research project through out my research attachment at Deakin University Australia. If it were not for the above mentioned experts stimulating me intellectually beyond the limit, the output of this study would have been poor.

In the course of my research, I published two Scopus papers titled: The Influence of Disputants Perceptions on the Process and Outcome of Negotiation and also a research paper titled: A Distinctive Perceptions of the Disputants in the Negotiation of Labor Dispute Resolution.

I will forever be grateful to my dear lovely mother who accepted to finance this research program and also agreed to cater for my daily expenses. My life and that of my children would have been misery without you ma. You are our guiding angel from heaven made by our heavenly father. I pray that God will sustain your life to reap what you sow in me.

To my beautiful kids Laurina, Samuel, and David, I appreciate your love understanding, and patience during my Ph.D. research. You guys are great.

My sincere gratitude to the Centre for Graduate Studies, for the advice and support given during my period of study in Universiti Malaysia Sarawak.

Finally, I would like to thank the management of the Universiti Malaysia Sarawak for making it possible for me to complete my study here in Sarawak. Thank you all.

ABSTRACT

The purpose of this study was to explore the importance of power relationship in the process of collective bargaining. The key issue of interest in this study was unsuccessful negotiation process and outcome between the representatives of Nigeria Federal Government (FGN) and the Nigeria Labour Congress (NLC). To accomplish the objectives of this thesis, the researcher adopted a qualitative approach. A total number of 55 participants were involved in this research project. 25 participants from the representatives of Nigeria Federal Government (FGN) and 30 participants from the representatives of the Nigeria Labour Congress (NLC). Empirical findings based on the data gathered from Nigeria Labour Congress (NLC) uncovered that they have not been able to settle their differences because the representatives of Nigeria Federal Government (FGN) are more powerful coercing the representatives of Nigeria Labour Congress (NLC) to accept poor negotiation offer on the bargaining table. On the other hand, findings from the representatives of Nigeria Federal Government (FGN) shows that lack of prioritization of demands and compromise from the representatives of Nigeria Labour Congress (NLC) are common responsible factors affecting the success of labour negotiation between both parties. This study concluded that, negotiation cannot be successful if there is power imbalance between the negotiators on the bargaining table. This is because negotiators with higher power may display an unethical bargaining behaviour towards negotiators with low power. This study has contributed to the existing body of literature by identifying how high power and low power negotiators behave on the bargaining table.

Keywords: Negotiation, power relationship, low and high power, distributive and integrative tactics

Meneroka Kepentingan Hubungan Kuasa dalam Proses Perundingan Kolektif: Kajian dalam Konteks Nigeria

ABSTRAK

Tujuan kajian ini adalah untuk menyelidik kepentingan hubungan kuasa di dalam proses tawar menawar kolektif. Isu utama yang menarik dalam kajian ini ialah proses dan hasil rundingan yang tidak berjaya antara wakil Kerajaan Persekutuan Nigeria (FGN) dan Kongres Buruh Nigeria (NLC). Bagi mencapai objektif utama tesis ini, pengkaji telah menggunakan pendekatan kualitatif. Seramai 55 orang peserta terlibat dalam projek penyelidikan ini. 25 peserta daripada wakil FGN dan 30 peserta daripada wakil NLC. Penemuan empirikal berdasarkan data yang dikumpul daripada NLC mendapati bahawa mereka tidak dapat menyelesaikan perbezaan mereka kerana wakil FGN lebih berkuasa memaksa wakil NLC untuk menerima tawaran yang tidak wajar di meja tawar-menawar. Sebaliknya, penemuan daripada wakil-wakil FGN menunjukkan bahawa kekurangan keutamaan tuntutan dan kompromi daripada wakil-wakil NLC adalah faktor-faktor yang bertanggungjawab mempengaruhi kejayaan rundingan buruh antara kedua-dua pihak. Kajian ini merumuskan bahawa, rundingan tidak akan berjaya sekiranya terdapat ketidakseimbangan kuasa antara perunding di meja tawar-menawar. Ini kerana perunding yang mempunyai kuasa yang lebih tinggi mungkin menunjukkan tingkah laku tawar-menawar yang tidak beretika terhadap perunding yang mempunyai kuasa rendah. Kajian ini telah membuat sumbangan kepada literatur dengan mengenalpasti bagaimana perunding yang mempunyai kuasa yang lebih tinggi dan perunding yang mempunyai kuasa yang rendah berinteraksi di meja tawar-menawar.

Kata kunci: *Rundingan, hubungan kuasa, kuasa rendah dan tinggi, taktik pengagihan dan integratif*

TABLE OF CONTENTS

| | Page |
|-------------------------------|-------------|
| DECLARATION | i |
| ACKNOWLEDGEMENT | ii |
| ABSTRACT | iv |
| ABSTRAK | v |
| TABLE OF CONTENTS | vii |
| LIST OF TABLES | xiii |
| LIST OF FIGURES | xiv |
| LIST OF ABBREVIATIONS | xv |
| CHAPTER 1 INTRODUCTION | 1 |
| 1.1 Background Study | 1 |
| 1.2 Problem Statement | 7 |
| 1.3 Research Questions | 13 |
| 1.4 Research Objectives | 13 |
| 1.5 Significance of Research | 14 |
| 1.6 Scope of Study | 15 |
| 1.7 Justification of Study | 15 |

| | | |
|------------------------------------|--|-----------|
| 1.8 | Chapter Summary | 18 |
| CHAPTER 2 LITERATURE REVIEW | | 19 |
| 2.1 | Introduction | 19 |
| 2.2 | Clarification of Terms | 19 |
| 2.3 | Conceptual Definition | 19 |
| 2.3.1 | Trade Dispute | 20 |
| 2.3.2 | Collective Bargaining | 21 |
| 2.3.3 | Process of Collective Bargaining | 22 |
| 2.3.4 | Collective Agreement | 23 |
| 2.3.5 | Trade Union | 24 |
| 2.4 | Origin of Trade Union | 25 |
| 2.5 | Objectives of Trade Union | 26 |
| 2.6 | Problems of Trade Union in Nigeria | 28 |
| 2.7 | Industrial Relations System in Nigeria | 29 |
| 2.8 | Process of Trade Dispute Settlement in Nigeria | 31 |
| 2.9 | Power | 36 |
| 2.10 | Source of Power | 38 |
| 2.11 | Negotiators and Power Imbalance | 39 |
| 2.11.1 | Power Relationship Between Negotiators | 39 |
| 2.11.2 | Negotiation and Power | 41 |

| | | |
|--------|--|-----------|
| 2.11.3 | Negotiation Between Equal Low- Power and Equal High-Power | 44 |
| 2.12 | Power Relationship and Its Influence on the Process and Joint Outcome of Negotiation | 45 |
| 2.12.1 | Lack of Cooperation and Concessions | 46 |
| 2.12.2 | Lack of Give and Take | 48 |
| 2.12.3 | Lack of Good Faith | 50 |
| 2.12.4 | Threat and Coercion from Powerful Negotiators | 53 |
| 2.12.5 | Emotional Display and Retaliation | 55 |
| 2.12.6 | Self-center and Lack of Preferences of Demands | 58 |
| 2.12.7 | Lack of Clarification | 60 |
| 2.12.8 | Lack of Self-Control | 61 |
| 2.13 | Chapter Summary and Gap of Study | 62 |
| 2.14 | Conceptual Framework | 67 |
| 2.15 | Theoretical Review | 71 |
| 2.15.1 | Power Approach Theory and Behavioural Theory of Labour Negotiation | 71 |
| 2.16 | Chapter Summary | 81 |
| | CHAPTER 3 METHODOLOGY | 82 |
| 3.1 | Introduction | 82 |
| 3.2 | Research Design | 82 |
| 3.3 | Population and Participants | 85 |

| | | |
|--------|---|------------|
| 3.4 | Number of Participants | 86 |
| 3.5 | Source of Data | 86 |
| 3.6 | Research Instrument | 89 |
| 3.7 | Funnel Approach | 91 |
| 3.8 | 3.8 ilot Study | 91 |
| 3.9 | Data Collection | 92 |
| 3.10 | Rationale of Data Collection through Zoom During COVID 19 | 94 |
| 3.11 | Ethical Consideration | 98 |
| 3.12 | Data Analysis | 99 |
| 3.12.1 | Inductive Analysis | 100 |
| 3.12.2 | Thematic Approach | 101 |
| 3.13 | Cross-Case Approach | 102 |
| 3.14 | Explicative Analysis | 102 |
| 3.15 | Justification for Using NVivo | 102 |
| 3.16 | Chapter Summary | 103 |
| | CHAPTER 4 FINDINGS OF STUDY | 104 |
| 4.1 | Introduction | 104 |
| 4.2 | Nature of Power Relationship Between NLC and FGN on the Bargaining Table | 105 |
| 4.2.1 | Lack of Cooperation Vs Offer Refusal | 108 |

| | | |
|-------|---|------------|
| 4.2.2 | Superiority Vs Win-loss Intention | 113 |
| 4.2.3 | Threaten to Sack Vs Threaten to Strike | 117 |
| 4.3 | The Influence of Power Relationship on the Process and Outcome of Collective Bargaining | 120 |
| 4.3.1 | Lack of Cooperation | 122 |
| 4.3.2 | Superiority | 128 |
| 4.3.3 | Threat to Embark on Industrial Strike | 129 |
| 4.3.4 | Threat to Sack | 131 |
| 4.4 | How Principles of Good Faith Bargaining Shape Power Relationship Between the Representatives of NLC and FGN on the Bargaining Table | 134 |
| 4.4.1 | Lack of Compromise | 136 |
| 4.4.2 | Lack of Sincerity | 140 |
| 4.5 | Chapter Summary | 142 |
| | CHAPTER 5 DISCUSSION OF FINDINGS | 142 |
| 5.1 | Introduction | 142 |
| 5.2 | Discussion of Findings | 143 |
| 5.3 | Discussion of Major Findings | 144 |
| 5.3.1 | High Bargaining Power | 145 |
| 5.3.2 | Low Bargaining Power | 147 |
| 5.3.3 | Superiority | 150 |
| 5.4 | Discussion of Other Findings | 152 |

| | | |
|---|---|------------|
| 5.4.1 | Threaten to Strike | 152 |
| 5.4.2 | Consequences of Strike | 153 |
| 5.4.3 | Lack of Cooperation on the Bargaining Table | 155 |
| 5.4.4 | Offer Refusal | 157 |
| 5.4.5 | Win-Loss Solution | 159 |
| 5.4.6 | Lack of Compromise | 160 |
| 5.4.7 | Lack of Sincerity | 162 |
| 5.4.8 | Lack of Implementation of Demands | 164 |
| 5.5 | Chapter Summary | 166 |
| CHAPTER 6 CONCLUSION AND RECOMMENDATIONS | | 167 |
| 6.1 | Introduction | 167 |
| 6.2 | Conclusion | 167 |
| 6.3 | Recommendations and Future Research | 169 |
| REFERENCES | | 171 |
| APPENDICES | | 213 |

LIST OF TABLES

| | Page |
|---|-------------|
| Table 1.1: Number of strikes by NLC in Nigeria | 16 |

LIST OF FIGURES

| | Page |
|---|-------------|
| Figure 2.1: Process of trade dispute settlement in Nigeria | 32 |
| Figure 2.2: ASUU Strikes Adopted from Odoziobodo, 2015 (page, 304) | 57 |
| Figure 2.3: Different Attitudes of Disputants the Bargaining Table (developed by the researcher) | 67 |
| Figure 4.1: Perspective of NLC Representatives on FGN | 105 |
| Figure 4.2: Perspective of FGN Representatives on NLC | 107 |
| Figure 4.3: High Power Attitudes from the Representatives of FGN | 121 |
| Figure 4.4: Low-Power Attitudes from the Representatives of NLC | 122 |
| Figure 4.5: Principles of Good Faith Bargaining | 134 |
| Figure 5.1: Major Findings of the Study | 145 |
| Figure 5.2: Other Findings of the Study | 152 |

LIST OF ABBREVIATIONS

| | |
|-------|--|
| ASUU | Academic Staff Union of Universities |
| BATNA | Best Alternative to a Negotiated Agreement |
| FGN | Federal Government of Nigeria |
| GHB | Good Faith Bargaining |
| IAP | Industrial Arbitration Panel |
| ILO | International Labour Organization |
| NLC | Nigeria Labour Congress |
| NIC | National Industrial Court |
| NURTW | National Union of Road Transport Workers |
| TUC | Trade Union Congress |
| LUF | Labour Unity Front |
| NWC | United Workers Council |

CHAPTER 1

INTRODUCTION

1.1 Background Study

The power relationship between individuals in society is undeniable, the reason is that people possess different statuses which gives them better opportunities to be superior to their counterparts. A good example of power disparity between people in society is the power of a president over his followers, or the power of a king to control his people.

In addition, power imbalance between countries is common (Susanti, Nurasa & Widianingsih, 2019). For instance, the US, UK, China, France, and Russia are considered great power countries because these countries have great influence on most countries, especially third-world countries. This influence is in terms of economic, military, or political (Susanti et., 2019).

In the same way, past studies reported that power between employers and employees in organizational settings is unequal. Under normal circumstances, employers are more powerful than employees in the workplace (Oganca, 2019). The reason employers are superior to their subordinates is that they own and control organizational resources (Oganca, 2019). These resources include financial resources such as capital funding and profits generated by the organization. Others include physical resources like raw materials, buildings, facilities, and machinery. This limit the power of employees to participate deeper in making a decision in the organization (Baumgarten & Lehwald, 2019).

Therefore, an employment relationship is characterized by power inequality between management and trade unions (Baumgarten & Lehwald, 2019). The contention of the power relationship between management and employees in collective bargaining as a mechanism of resolving trade disputes is indisputable (Stewart, 2020).

Trade disputes between employers and workers have been a major concern for academia and researchers because of their effects on organizational productivity (Antonioli, et al., 2011; Adewole & Adebola, 2010). Due to unsettled trade disputes, employees may develop hostile behaviour toward their employers, culminating in the destruction of organizational achievements (Oni-Ojo et al., 2014).

Evidence from recent research shows that an unresolved trade dispute may compel employees to leave their work in search of new jobs in other organizations. This may likely influence the overall organizational accomplishment, growth, and development. This is because due to the loss of qualified and well-experienced workers (Bilfone & Afonso, 2020; Henkel & Wood, 2020; Cook, Lorwin & Daniels, 2019).

Furthermore, power imbalance in the resolution of trade disputes between management and workers have a greater consequences for both employers and employees (Devicienti et al., 2019). It may impact the quality or quantity of employees' outputs. These consequences may cause organizational bleeding, leading to loss of profits by employers. On the other hand, employees may loss their jobs causing a serious financial crisis on workers and their families (Devicienti et al., 2019; Dwivedi & Gows, 2019; Hayes, 2019; Martin, 2020). Considering the above-mentioned reasons, a labour dispute between employers and employees needs to be empirically examined to increase employees' organizational performance for organizational success.

According to the existing studies, trade disputes can be resolved through mediation, arbitration, and conciliation (Philip & Adeshola, 2013; Hale et al., 2012; Dawe & Neathey, 2008; Hiltrop, 1985). Empirical findings from past literature, for instance, Booth et al. (2016); Chand (2015); Quoc Bao Vo and Radulescu (2012); Shinde (2012); Goltsman et al. (2009); Gibbons (2007); Bingham (2004), as well as Reif (1990) reported that conciliation, arbitration, and mediation, unlike collective bargaining have been successful in settling trade dispute between disputants.

Macneil and Spiess (2019a), conducted studies on collective bargaining with empirical results indicating that collective bargaining has not been successful in resolving labour disputes between disputants. Based on these studies, one of the reasons that hinder trade unions and management from reaching an integrative agreement is the power relationship that exists between both parties.

Empirical evidence from these studies shows trade unions has lower power on the bargaining table compared to management. Based on these studies, trade unions are considered integrative negotiators because they often come to the bargaining table with the motive of achieving a win-win agreement with their counterparts. Yet, they encounter challenges in achieving joint agreements with their high power partners.

Based on findings from Schaerer, Teo, Madan, and Swaab (2020), the reason integrative negotiators cannot reach a satisfactory win-win agreement at the negotiation table is that high-power negotiators often act proactively to control the process and outcome of the negotiation, giving no or little room to integrative potential with their low power counterparts.

These studies further maintain that powerful negotiators do not care or explore information that can produce a mutual agreements with their counterparts on the bargaining table. This type of bargaining behavior from high-power negotiators plays a significant role in influencing the success of integrative agreement between the disputants.

Some studies by Cook, Lawin, and Daniels, (2019); and Harrison (2004), reported that collective bargaining between management and labour unions in South Africa has not been successful in resolving trade disputes. Based on these scholars, the reason is because of lack sincerity from management in implementing the agreement reached by both parties.

Moreover, other studies from different developed countries such as Canada and Italy by Bulfone and Afonso, (2020); and Devicienti, Fanfani, and Maida, (2019) reported that disputants cannot achieve joint agreement if both parties are not sincere with each other on the bargaining table. An unsuccessful dispute resolution between employers and employees usually creates a situation where both parties continue to indulge in a series of negotiations without settlement.

Several strands of studies in Nigeria (e.g, Adebisi 2013; Akume, & Abdullahi, 2013; Adewole & Adebola 2010) reported threats from the management on employees as another critical dilemma to a successful bargaining process and joint outcome between the disputants on the negotiation table.

Based on empirical evidence from these studies, this kind of threatening behaviour from the management represents a typical attitude of a high-power negotiator which often affects mutual agreement between parties in dispute. The reason disputing parties cannot reach a settlement point is that the representatives of workers known as trade union may not accept a threatening bargaining proposals from the management. This is because the

intimidation proposal does not satisfy the demands of workers. Because of that, trade union leaders negotiating on behalf of employees may eventually walk away from the bargaining table without reaching a mutual consensus with management. Therefore, affecting a smooth process and outcome of labour negotiation between both parties (Mennicken et al., 2014).

In Nigeria, several studies, for example, Nneka (2019), Rasak (2019), Opute (2019), reveal that the Nigeria Labour Congress (NLC) and the Federal Government of Nigeria (FGN) have been engaging in several negotiations over conditions of employment such as increment of wages of the Nigeria workers', research grants and allowances. However, the negotiation has not yielded a fruitful result.

Nigeria Labour Congress is a federation of autonomous industrial unions with recognized power to bargain with the government on behalf of the Nigeria workers, masses, and other unions. NLC is an umbrella organization for trade unions in Nigeria for both private and public sectors. NLC was established following a merger of four different organizations namely, Trade Union Congress (TUC), Labour Unity Front (LUF), United Labour Congress (ULC), and Nigeria Workers Council (NWC). NLC has 29 affiliated unions restructured into 42 industrial unions (Nneka, 2019).

One of the primary objectives of NLC is to regulate the terms and conditions of employment of its members and to create a forum for a united collective bargaining movement with the management. However, despite this fact, NLC continues to have pending unsuccessful negotiations with FGN for several decades (Rasak, 2019).

According to past studies, the reason NLC and FGN have not been able to reach an agreement is because of the government's high bargaining power. These high power

attributes displayed by the FGN includes threats and a lack sincerity on the bargaining table. Similar studies by Ogwuana (2016), Odoziobodo (2015), Muhammad (2014), Ajay (2014), and Bendix (2011) found that collective bargaining between trade unions and management cannot be successful if employers do not comply with the terms and conditions of the agreement reached by both parties.

Based on empirical evidence from the existing body of literature, it is interesting to know that previous studies' have substantially produced mixed results which are inconclusive about key issues infuriating the successful process and outcome of collective bargaining between trade unions and management. These different results may be due to past studies' geographical location or methodological differences (Paavola, 2014).

Most of the above studies, for example, Tremblay (2016), Maidald (2015), and Thompson et al. (2010) were conducted in developed countries. Secondly, most of these studies were conducted through a quantitative approach where scholars relied on statistical estimation rather than interacting with the participants to understand key issues responsible for the success or failure of collective bargaining between industrial relations actors (i.e., trade unions and management).

Statistical estimation is a quantitative term involving a process of inferring the true value of variables in the population from a sample drawn from population of studies (Thompson et al., 2010). However, this study using a qualitative approach investigated the power relationship between NLC and FGN on the bargaining table.

The reason this study focused on the Federal Government of Nigeria and NLC is that NLC as a collective organization for trade unions in Nigeria has engaged in a series of national strikes involving both private and public sectors in Nigeria. This is because of the

failure of collective bargaining between NLC and FGN over wages and other terms and conditions of employment (Nneka, 2019). NLC performs several functions for the well-being of its members. These roles include the enhancement of the conditions of employment and wages, industrial harmony and productivity, and economic and social progress (Nneka, 2019).

Because of that, NLC often intervened in collective bargaining between FGN and the Academic Staff University (ASUU), this is because ASUU is a sub-union under NLC. However, all efforts to successful negotiation seem to be abortive hence, ASUU often embarks on strike supported by NLC as a means of pressing home their demands (Nneka, 2019).

1.2 Problem Statement

Evidence from previous research (e.g, Ogwuana, 2016; Tremblay, 2016; Odoziobodo, 2015) reported that labour dispute is inevitable between employees and employers at workplace. This view is also reported by conflict theorists who argued that dispute is inevitable, rational, functional, and normal in every workplace (Lance & Pardos-Prodo, 2013; Gallo, 2013; Rose, 2008; Bartos & Wehr, 2002; McShane, 1985). However, it must be resolved to ensure peace between management and workers (Pulignano & Keune, 2015; Bsen & Mailand, 2011).

The frequent occurrence of trade disputes between trade unions and management has gained empirical investigation from different scholars in developing countries, for example, Nigeria, Ghana, and South Africa (Godfrey et al., 2010; Traxler et al., 2008; Godfrey et al., 2007). Trade dispute has also captured the attention of researchers in a developed countries, for instance, USA, Canada and UK (Marginson & Galetto, 2016;