

INFLUENCE OF LEADERSHIP ON SUCCESSFUL IMPLEMENTATION OF COLLECTIVE BARGAINING AGREEMENTS IN THE HEALTH SECTOR AT NAKURU COUNTY, KENYA

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Abstract

Over the last two years unions in the health sector has reached out to several government organs to have the agreement implemented, but without success. There have been more than two dozen strikes since the devolution of health services in 2013. The study sought to establish the influence of leadership on successful implementation of collective bargaining agreements in the health sector at Nakuru County, Kenya. The study adopted a descriptive research design. The target population was 27 union officials from Kenya Medical Pharmacists and Dentists Union and 23 union officials from the Kenya Union of Nurses in Nakuru County. The target population was 50 respondents and census technique was used. A pilot study was conducted in Kericho County. Correlation analysis shows that leadership is positively related to successful implementation of collective bargaining agreements with Pearson's correlation of .320. The model generated from the study is successful implementation of collective bargaining agreements in the health sector in Kenya = .959 + .402 Leadership. From the findings the researcher concluded that commitment of the top managers (decision makers) and participation in collective bargaining gives an impression of their support in realization of labour relations equilibrium.

Keywords: Leadership, Health Sector, Collective Bargaining Agreements

I. INTRODUCTION

Collective bargaining agreements are a joint labour and management framework for deciding on a contract that provides an employment agreement for a defined period of performance (Rolfesen, 2013). It is also a useful way of preventing and resolving industrial conflicts. Beyond conflict prevention and resolution, collective bargaining affords unions the opportunity to negotiate better wages and working conditions for their members (Turkson, 2013). Unions use collective bargaining agreements to negotiate general conditions of employment in unionized organizations (King, Rosopa, & Minium, 2013). All labour unions in the United States face the challenge of an uncertain future. According to the Bureau of Labour and Statistics (2015), union membership dropped from 35% in the 1960s to about 11% in 2015. Sustained political efforts led by the Republican Party since the 1960s to strip unions of collective bargaining rights in some states, such as Wisconsin, weakened unions and their ability to organize and grow their membership (Hunt & Weiler, 2015).

In USA Unions spend between 30-70% of their budgets on talent acquisition and retention; yet, a human resources practice, such as performance accountability, remains a challenge (Rau, 2012). Unions advocate to protect their members from arbitrary layoffs and to provide job security as compared to private sector workers (Tsai & Shih, 2013). The general problem is the lack of understanding as to whether CBAs, which are the legal basis of a labor union, incorporate negotiating parameters, which are designed to not only represent the employee voice, but to help support the sustainability of the union organization. In Africa Trade unions are restricted in terms of the proportion of the nation's labor force that they organize (Adu-Amankwah, 2013). In Ghana the coverage is about one quarter of formal sector workers, and various strikes have taken place as a result of management failure to involve employees in decision making. For example, in 2010, failure of Kumasi Polytechnic to include lecturers in the decision to pay project supervision allowance created a conflict between management and the lecturers which resulted in a series of court action.

In Kenya, the law gives employees the right to freedom of association and allow the unions to hold elections and elect their leaders, to go on strike, hold peaceful assemblies, and exercise freedom to form trade unions and to enter into agreements with the employers on behalf of their members (Labour Relations Act, 2007). In Kenya, the CBAs cover only a small proportion of workers. For

example, in 2005-2006, only about 25-30% of the workers in Kenya's formal sector were unionized, which means only about 4 per cent of Kenya's total workforce are unionized (Pollin, 2015). For the past five years the Kenyan Government has entered into more than 10 CBAs with various public trade unions. However, majority of the trade unions are crying foul due to incomplete implementation of CBAs. For example, the continuous and prolonged strike in the health sector has been attributed to the government failure to implement a Collective Bargaining Agreement signed in June 2013 between the union and the Ministry of Health. The agreement was based on negotiations between the government and the doctors' union which started after another doctors' strike in December 2011.

Over the last two years unions in the health sector have reached out to several government organs to have the agreement implemented, but without success. These have included the Ministry of Health, the Salaries and Remuneration Commission, the National Assembly and the courts. There have been more than two dozen strikes since the devolution of health services in 2013. At the end of 2013 most health services were decentralized from the central government to county governments in keeping with Kenya's new constitution. Bauer (2013) found that trade unions heavily rely on donors' funds on one hand, and on the other hand the unions are forced to rely upon member subscriptions or other mechanism of raising funds which reduces their power to pressurize employers to comply with their needs. The study by Pencavel (2016) found that there is need for a legal framework that encourages unions to concentrate their activities at the source of their members' welfare, namely, at the enterprise where workers are employed. In Kenya, Omolo (2016) found that for a variety of reasons, the finances of many trade unions have not been sound. However, none of these studies clearly explain the implementation of collective bargaining agreement, therefore the study sought to establish the determinants of successful implementation of collective bargaining agreements in the health sector at Nakuru County, Kenya. Health workers in Nakuru County have been going on strike from time to time in last few years especially due to wage related issues. During the period 2013-2017 the County wage-bill increased by approximately 1 billion in the health sector alone on account of new CBAs negotiated nationally and staff promotion. This phenomenon continues to constrain the County's ability to finance other recurrent expenditures while the county health functions remain grossly underfunded (NCG, 2018).

II. RESEARCH OBJECTIVE

To determine the influence of leadership on successful implementation of collective bargaining agreements in the health sector at Nakuru County, Kenya.

III. RESEARCH HYPOTHESES/QUESTIONS

Leadership has no significant influence on successful implementation of collective bargaining agreements in the health sector at Nakuru County, Kenya.

IV. LITERATURE REVIEW

Behavioral Theory

Walton and McKersie were the first to put theories regarding labor negotiations into a comprehensive and widely accepted framework in a seminal study entitled *A Behavioral Theory on Labor Negotiations* (Walton & McKersie, 1991). It is important to explore the full context and definition of the collective bargaining process before considering the contributions Walton and McKersie made to defining and codifying the sub-processes that drive negotiations in labor unions. The four sub-processes were integrative bargaining, distributive bargaining, intra organizational bargaining, and attitudinal restructuring. It is important to note that not all labor impasses result in strikes and lockouts since public sector unions typically result to forced arbitration to resolve labor disputes in collective bargaining (Epstein, 2013).

Unions and management need to cooperate on key issues related to the collectively bargained agreement in the context of the behavioral theories proposed by Walton and McKersie (1991). The

behavioral theories on labor negotiations noted strategies and tactics for distributive bargaining, integrative bargaining, attitudinal structuring, and intra-organizational bargaining as critical to the model for collective bargaining (Walton & McKersie, 1991).

Unitary Theory

The unitary frame of reference is credited to Alan Fox who proposed in 1966. He proposed that unitary perspective views the organization as pointing towards a single or unified authority and loyalty structure. Emphasis under the unitary perspective is placed on common values, interest and objectives. Unitarism in essence implies the absence of factionalism within the enterprise (Fajana, 2000). A core assumption of unitary approach is that management and staff, and all members of the organization share the same objectives, interests and purposes; thus working together, hand-in-hand, towards the shared mutual goals. Furthermore, unitary theory has a paternalistic approach where it demands loyalty of all employees. Trade unions are deemed as unnecessary and conflict is perceived as disruptive. The theory is applicable to study as from the employee point of view.

The theory means that: Working practices should be flexible. Individuals should be business process improvement oriented, multi-skilled and ready to tackle with efficiency whatever tasks are required. It also means that if a union is recognized, its role is that of a further means of communication between groups of staff and the company. The theory as well emphasis on good relationships and sound terms and conditions of employment. According to Rose (2008), under the unitary perspective, trade unions are regarded as an intrusion into the organization from outside, competing with management for the loyalty of employees. The theory also ensures employee participation in workplace decisions is enabled. This helps in empowering individuals in their roles and emphasizes team work, innovation, creativity, discretion in problem-solving, quality and improvement group's etc.

The theory is applicable to study as from the employer point of view, unitary theory means that: Staffing policies should try to unify effort, inspire and motivate employees. The organization's wider objectives should be properly communicated and discussed with staff. Reward systems should be so designed as to foster to secure loyalty and commitment. Line managers should take ownership of their team/staffing responsibilities. Staff-management conflicts - from the perspective of the unitary framework - are seen as arising from lack of information, inadequate presentation of management's policies. The personal objectives of every individual employed in the business should be discussed with them and integrated with the organization's needs.

Empirical Review

Ibreck, (212) emphasized that it is the role a leader to show the organizational mission. Whether or not; trade unions are effectively influencing the positive response of the employers, depending on the smartness of these leaders. However, as Babeiya, 2011 commented, the experience in Tanzania shows that trade unions have had weak leadership. It is only two unions; Tanzania Railway Workers Union (TRAWU) and Teachers trade union (CWT) leaders who seem to be at least active in challenging government decisions and actions. The leaders of the two unions have used various means to influence the government; they use boycott, strikes and sometimes media to enable their voice to be heard. Leaders are very important in bringing positive agreements between employer and employees in CBAs.

When trade unions leaders perform their function effectively, it normally brings positive implications in CBAs. It also increases the bargaining capacity of employees as a group; they restrict management's freedom for arbitrary action against the employees. Moreover, unilateral actions by the employer are also discouraged as everything will be agreed collectively. Effective collective bargaining leaders strengthens the trade unions movement, workers feel motivated as they can approach the management on various matters and bargain for higher benefits (Shashank 2012).

Weak trade unions have been finding themselves confederate with strong ones in order to have negotiating power with employers in a certain industry but still this has not brought much changes in bargaining power. This is an extreme example which indicates that not all unions have autonomy in wages bargaining with employers whether in the public or private sector. Only new changes in labour laws will empower trade unions to have strong bargaining power on all aspects of wages, working conditions, social justice and job security (Frias, 2016).

According to Mathis & Jackson (2008) there exists an adversarial relationship between unions and management that sometimes leads to strikes and lockouts. However, such conflicts are relatively rare. What is important between the management and unions is recognition by both parties. Major concern for employees is recognition, in terms of respect, esteem and approval of others. Indeed, lack of recognition often creates loss of esteem and motivation. Armstrong (2006) gives factors that determine recognition or de-recognition. One of the factors is the perceived value or lack of value of having collective bargaining. The second factor is the extent to which the management has freedom to manage the unions and the third factor is the history of relationship with the union. The fourth factor is the number of union members and the proportion of employees who are members. The fifth factor is the preference to a particular union.

Unions spend between 30-70% of their budgets on talent acquisition and retention; yet, a human resources practice, such as performance accountability, remains a challenge (Rau, 2012). Unions advocate to protect their members from arbitrary layoffs and to provide job security as compared to private sector workers (Tsai & Shih, 2013). Becker (1993) noted that it was critical for employers to view their employees as they would view capital assets. Unions provide due process to their members in a manner that does not exist for non-union employees, unless agency fee provisions cover such employees where they pay some dues in exchange for union representation (Fisk, 2014). Unions should not rigidly insist upon unreasonable demands and should be ready to reduce its demands to come to an agreement. The principal purpose of collective bargaining is to settle and determine terms and conditions of employment. It is because of the apparent imbalance of power between the employees and employer that has necessitated the desire of workers to come together (Sokoh, 2018).

V. RESEARCH METHODOLOGY

The study adopted a descriptive research design. The target population was 27 union officials from Kenya Medical Pharmacists and Dentists Union and 25 union officials from The Kenya Union of Nurses in Nakuru County, making a total of 52 respondents. The researcher used census technique to incorporate all the 52 union officials. Questionnaires were used for data collection. The design of the questionnaires was based on a multiple-item measurement scale. A pilot study was conducted in Kericho County where 6 questionnaires were randomly distributed to 6 union leaders in the health sector. The reliability of the study instruments was assessed by internal consistency technique. Internal consistency of data was determined from scores obtained from a single test administered by researcher to a sample of subjects. Cronbach's Coefficient Alpha was then computed to determine how items correlated among themselves. Reliability test on the pilot data showed that leadership had a Cronbach Alpha score of 0.872 and successful implementation of collective bargaining agreements (0.733). The study commenced after obtaining a research permit from the National Commission for Science Technology and Innovation (NACOSTI) through the Director School of Graduate Studies, Jomo Kenyatta University of Agriculture & Technology. The researcher then administered the questionnaires on the respective confirmed appointment dates and collected the same after one week. Descriptive statistics involved the use of percentages, frequencies, measures of central tendencies (mean) and measures of dispersion (standard deviation). Inferential statistic was used to determine the relationship between the variables.

VI. RESEARCH FINDINGS AND DISCUSSIONS

Table 1: Leadership and successful implementation of collective bargaining agreements

Statements	Responses				
	Agreed	Neutral	Disagreed	Mean	SD
The trade union management has the ability to influence the employer in favor of the employees	24(57%)	6(14%)	12(29%)	4.24	.932
The trade union has an excellent bargaining capacity	33(79%)	3(7%)	6(14%)	4.45	.889
The union leaders are effective in CBA implementation	17(40%)	0(0%)	25(60%)	3.19	1.110
The union leadership fosters positive agreements between the employer and the employees	20(48%)	5(12%)	17(40%)	3.62	1.081
The union leadership creates value that fosters the implementation of collective bargaining agreements	26(62%)	7(17%)	9(21%)	3.69	1.220
The union leaders are able to form strategic liaisons with other unions to ensure effective implementation of the CBA	27(64%)	7(17%)	8(19%)	3.93	1.091
Overall mean				3.85	1.054

The respondents generally agreed that leadership has an influence on the successful implementation of collective bargaining agreements in the health sector at Nakuru County (mean 3.85, SD = 1.054). The mean corresponds to agree on the 5-point Likert Scale. However, the standard deviation of 1.054 means that the responses were very varied. The trade union management has the ability to influence the employer in favor of the employees had 24(57%) of the respondents agreeing while 6(14%) were neutral and 12(29%) disagreed. The trade union has an excellent bargaining capacity had 33(79%) of the respondents agreeing while 3(7%) were neutral and 6(14%) disagreed.

Other results were the union leaders are effective in CBA implementation had 17(40%) of the respondents agreeing while 25(60%) disagreed. The union leadership fosters positive agreements between the employer and the employees had 20(48%) of the respondents agreeing while 5(12%) were neutral and 17(40%) disagreed. The union leadership creates value that fosters the implementation of collective bargaining agreements had 26(62%) of the respondents agreeing while 7(17%) were neutral and 9(21%) disagreed. The union leaders are able to form strategic liaisons with other unions to ensure effective implementation of the CBA had 27(64%) of the respondents agreeing while 7(17%) were neutral and 8(19%) disagreed.

The study agrees with Shashank (2012) who stated that effective collective bargaining leaders strengthen the trade unions movement, workers feel motivated as they can approach the management on various matters and bargain for higher benefits. Leadership was found to be very important in bringing positive agreements between employer and employees in CBAs. When trade unions leaders perform their function effectively, it normally brings positive implications in CBAs.

Table 2: Successful implementation of collective bargaining agreements

Statements	Responses				SD
	Agreed	Neutral	Disagreed	Mean	
There is timely receipt of all the negotiated payments and allowances by members	30(71%)	4(10%)	8(19%)	4.31	.975
All the negotiated payments are paid on time	24(57%)	0(0%)	14(33%)	3.60	1.170
The union has helped establishment of improved working conditions	26(62%)	3(7%)	13(31%)	3.62	1.035
The union has helped secure fairer wages for employees in the light of rising cost of living	29(69%)	2(5%)	11(26%)	3.86	1.026
The union assists in identifying areas of improvement	32(76%)	5(12%)	5(12%)	4.21	.951
Union has resisted retrenchment of employees and secured their work	31(74%)	0(0%)	11(26%)	4.05	.909
Overall mean				3.94	1.011

The respondents generally agreed that there is successful implementation of collective bargaining agreements in the health sector at Nakuru County (mean 3.94, SD = 1.011). The mean corresponds to agree on the Likert Scale. The standard deviation shows that the responses were varied. There is timely receipt of all the negotiated payments and allowances by members had 30 (71%) of the respondents agreeing while 4(10%) were neutral and 8(19%) disagreed. All the negotiated payments are paid on time had 24(57%) of the respondents agreeing while 14(33%) disagreed. The union has helped establishment of improved working conditions had 26(62%) of the respondents agreeing while 3(7%) were neutral and 13(31%) disagreed. The union has helped secure fairer wages for employees in the light of rising cost of living had 29(69%) of the respondents agreeing while 2(5%) were neutral and 11(26%) disagreed. The union assists in identifying areas of improvement had 32(76%) of the respondents agreeing while 5(12%) were neutral and disagreed, respectively. And the union has resisted retrenchment of employees and secured their work had 31(74%) of the respondents agreeing while 11(26%) disagreed.

The results agree with those of Sokoh (2018), who found that improvements in the terms and conditions of workers employment is the chief task of trade unions and collective bargaining is the major means whereby trade unions can ensure that the terms and conditions of employment given to their members are adequate. It is because of the apparent imbalance of power between the employees and employer that has necessitated the desire of workers to come together. The results also agree with those of Mathis et. al. (2008) who found that the major concern for employees is recognition, in terms of respect, esteem and approval of others. Indeed, lack of recognition often creates loss of esteem and motivation.

The study results indicate that there exists a positive and significant effect of leadership on successful implementation of collective bargaining agreements in the health sector in Kenya ($\beta=0.402$, $p<.05$). The null hypothesis is therefore rejected. The study thus concludes that a unit increase in leadership will lead to 0.402 unit increase in successful implementation of collective bargaining agreements in the health sector in Kenya. The results agree with those of Shashank (2012), who found that leaders are very important in bringing positive agreements between employer and employees in CBAs. The study found that when trade unions leaders perform their function effectively, it normally brings positive implications in CBAs.

VII. CONCLUSION OF THE STUDY

THE study concludes that leadership influences the successful implementation of collective bargaining agreements in the health sector in Kenya. The results show that internal politics affect the leadership of union leaders which affect the implementation of collective bargaining agreements. Some union leaders conspire with employers behind the back of the rest of the workers so that they accept and justify employer's offer to the workers.

VIII. RECOMMENDATIONS OF THE STUDY

The study recommends that leadership in the collective bargaining process be improved in the health sector at Nakuru County as it brings positive agreements between employer and employees. The results show that when the management of trade unions perform their functions effectively, there is timely receipt of negotiated payments and allowances by members, there are improved working conditions, and fairer wages for employees in the light of rising cost of living. It also results in proper identification of areas of improvement, and security of tenure for the employees in the institution.

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How to Cite This Paper

Tanui, P. (2018). Influence Of Leadership On Successful Implementation Of Collective Bargaining Agreements in the Health Sector At Nakuru County, Kenya. *International Journal of Business Management and Processes (IJBMP)*, 4(2), 6–13.