EFFECT OF COLLECTIVE BARGAINING ON EMPLOYEE PERFORMANCE IN THE ENERGY SECTOR IN NAIROBI CITY COUNTY, KENYA

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ABSTRACT

This study sought to find out the effect of collective bargaining on employee performance in the Energy sector in Nairobi County, Kenya. The target population of the study was 5,001 staff in the Energy Sector. A representative sample of 356 staff was obtained by use stratified random sampling. This study targeted both Management and Unionisable staff of all companies in the Energy Sector in Nairobi County. The study targets management staff who are charged with the responsibility of formulation and implementation of employee relations policies, procedures and strategies as well as Unionisable staff since they are affected by the policies, procedures and strategies. The study used a descriptive research design to measure the effect of employee relations on employee performance. The study used a questionnaire to collect data. A structured questionnaire was used to collect data. The Statistical Package for Social Sciences version 22 was used to analyze data. Inferential statistics were used to establish the relationships that existed between the variables. The correlation coefficient results found that collective bargaining had a positive significant effect on employee performance, \( r = .547, p = .000 \) while the regression results showed that for every one unit change in collective bargaining, employee performance increases by 0.362 hence implying a positive impact of collective bargaining on employee performance. The study found out that collective bargaining had a significant effect on employee performance.

Key Words: collective bargaining, employee relations, employee performance, policies, procedures

INTRODUCTION

In Global perspective, in the beginning of the 20th century the industrial relations system had been premised on a doctrine of collective laissez-faire. At the same time, however, government consistently provided implicit support for unions and recognized their place in the economic order (Howell 2005). In United States, National Labour Relations Act is structured around the principles of protection of the right to organize, requirement of majority support by employees for union certification, exclusive representation of bargaining units, duties to bargain in good faith with certified union representatives and use of the economic weapons of strikes and lockouts to resolve impasses in bargaining noted (Malin, 2013).

Collective agreements continue to be reached with non-independent unions supported by the employer, and these even forestall the ability of unions to use the statutory recognition procedures. The emphasis remains firmly on a private ordering, for which enterprise-level decisions are regarded as key. In Uganda, the constitution of 1995 establishes the freedom of association, right to work under safe and healthy conditions, to form and join unions, collective bargaining and representation and equal payment for equal work.
In Kenya, the Labour Relations Act, 2007, represents the main legal foundation for collective bargaining and labour relations. The new law combines two earlier laws, namely the Trade Disputes Act and the Trade Unions Act. In many respects, the Labour Relations Act contains substantial improvements, particularly in creating more efficient and responsive operational procedures to promote employment relations and labour peace in the country. Specifically, it promotes the collective bargaining process, by encouraging the parties to engage in good faith bargaining. For instance, it is mandatory for the parties to disclose information that may be required by the other party, particularly if such information clarifies a party’s bargaining position. It also reaffirms, even if controversial, the role of the Industrial Court in the registration and approval of collective bargaining agreements (Fashoyin, 2007).

**Energy Sector**

The Energy sector in Kenya is managed by the Ministry of Energy and Petroleum (MoEP) which is charged with formulation of policies to create an enabling environment for efficient operation and growth of the sector. It sets the strategic direction for the growth of the sector and provides a long-term vision for all sector players. Kenya Vision 2030 and the Second Medium Plan 2013-2017 identify energy as one of the infrastructure enablers for transformation into “a newly-industrializing, middle-income country, providing a high quality of life to all its citizens in a clean and secure environment”. Access to competitively-priced, reliable, quality, safe and sustainable energy is essential for achievement of the Vision.

The institutional structure of the energy sub sector comprises of the Ministry of Energy and Petroleum (MoEP), Energy Regulatory Commission (ERC), Kenya Electricity Generating Company (KenGen), Kenya Power and Lighting Company, the Rural Electrification Authority (REA), Kenya Electricity Transmission Company (KETRACO), Geothermal Development Company (GDC), Kenya Nuclear Electricity Board (KNEB), Kenya Pipeline Company (KPC), National Oil Corporation of Kenya (NOCK), Kenya Petroleum Refinery Limited, private sector actors and energy service users/customers (MOE &P Website).

The demand for electric power continued to rise significantly over the last five years driven by a combination of normal growth, increased connections in urban and rural areas as well as the country’s envisaged transformation into a newly industrialized country as articulated in Vision 2030. However, the power market remained unbalanced with this demand not fully met by supply. This is mostly due to system constraints and weather challenges. The peak demand rose from 1468MW in 2013/14 to 1512MW in 2014/15. The supply of electricity showed a 6.8% increase from 8,839GWh in 2013/14 to 9280GWh in 2014/15. The recorded total consumption also demonstrated a significant increase, recording a total of 7655GWh compared to 7244GWh in 2013/2014. The Government’s policy is to connect at least one million new consumers in the next five years. To meet this projected demand in electricity, the installed generating capacity will have to be raised. This projected growth rate in demand will require corresponding increases
in capital outlay to provide the needed incremental generation capacity and associated supply and distribution infrastructure.

STATEMENT OF THE PROBLEM

One of the most pressing issues facing most organizations today is the need to enhance employee performance. There is a widespread belief that performance improvements can only be achieved through fundamental reforms in employee relations. Changes are thought to be necessary both in the organization and structure of work and in the way in which employees are trained, remunerated and motivated. Blyton (2008) conducted a study which revealed that employees do not put up their best performance at workplaces when they are unhappy with management, government or even their own colleagues. Bad employer–employee relationships results in strike action and lockouts. All these actions taken by employees to display their grievances affect their performance as productivity will be reduced drastically. Moreover, it is argued that these changes cannot be separated from the need to overhaul our system of interest representation and dispute resolution. The activities of trade unions and the operations of arbitration tribunals are often viewed as impediments to management efforts to lift the competitive performance of their organizations. When performance in the energy sector fails to meet the expected levels, this results into customer complaints, which paint the sector negatively (Blyton 2008). This puts pressure on the various stakeholders in the energy sector who then push employees within the sector to perform. This situation (Armstrong & Taylor, 2014) observe that it lowers workers morale. Yet for effectiveness in performance, individual goals must be aligned with organizational goals, so that key performance indicators for employees are linked to those of the organization (Armstrong & Taylor, 2014). Armstrong & Taylor (2014) conducted seventy studies in goal setting, participation in decision making, objective feedback and found out management by objectives programmes when properly implemented and supported had an almost positive effect on productivity. Several scholars have done studies, which have indicated a positive relationship between employee relations and employee performance in various sectors of the economy. Muhammad, Farrukh & Naureen, (2013) conducted a study on the impact of employee relations on employee performance in hospitality industry of Pakistan. Other researchers such as Dumisani, Chux, Andre & Joyce (2014), conducted a study on the impact of Employer-Employee relationships on business growth. Ngui (2016) conducted a study on the relationship between employee relations strategies and performance of Commercial Banks. The above studies did not highlight specific collective bargaining practices/strategies that influence employee performance in the energy sector in Nairobi, City County, Kenya. It is in the light of this background that the study seeks to find out the effect of collective bargaining on employee performance in the energy sector in Nairobi City County, Kenya.

RESEARCH OBJECTIVE

To determine the influence of collective bargaining on employee performance in the Energy sector in Nairobi City County, Kenya.
RESEARCH HYPOTHESIS

H₀: Collective bargaining does not have a significant influence on employee performance in the Energy sector in Nairobi City County Kenya

THEORETICAL REVIEW

Systems Theory

The systems theory of industrial relations, as propounded by Dunlop (1958), states that industrial relations can be regarded as a system or web of rules regulating employment and the ways in which people behave at work. According to this theory, the role of the system is to produce the regulations and procedural rules that govern how much is distributed in the bargaining process and how the parties involved, or the actors in the industrial relations relate to one another (Ludwig, 1983). The systems theory supports the variable collective bargaining since it provides for rules and regulations, which are used to govern the collective bargaining process between management and employees in employment relationship.

The unitary view

The unitary view is one typically held by management who see their function as that of directing and controlling the workforce to achieve economic and growth objectives. To this end, management believes that it is the rule-making authority. The unitary view, which is essentially autocratic and authoritarian, has sometimes been expressed in agreements as management’s right to manage. The Unitary view theory supports collective bargaining since it clearly defines the role of management and employees which are clearly exhibited during negotiation of collective bargaining.

Collective Bargaining

This is defined as a social process that ‘continually turns disagreements into agreements in an orderly fashion. According to Armstrong & Tayor, (2014), Collective bargaining is the establishment by negotiation and discussion of agreement on matters of mutual concern to employers and unions covering the employment relationship and terms and conditions of employment. It therefore provides a framework within which the views of management and unions about disputed matters that could lead to industrial disorder can be considered, with the aim of eliminating the causes of the disorder.

Collective bargaining has been noted to help promote cooperation and mutual understanding between workers and management by providing a framework for dealing with industrial relations issues without resort to strike and lockouts. Collective bargaining is central to any industrial relations system since it is a tool through which regulated flexibility is achieved (Godfrey et al., 2007). According to Cole (2005) the process of negotiating collective agreement does not occur
in a vacuum. The aim of the process, is to achieve a workable relationship with management, found on mutual respect, in which tangible benefits are realized on agreed terms and not just on management’s whim.

Collective bargaining is at the heart of trade unionism and industrial relations. Generally, Collective bargaining rests on four fundamental principles. First is the principle of collectivism as opposed to individualism that together there can be purposeful achievement. This means that the numerous workplace problems facing workers can be best resolved by trade unions. The second principle is cooperation as opposed to competition. The third is solidarity as opposed to survival of the fittest. The fourth principle underlying collective bargaining is economic and social justice and fairness or equity (Budd et al, 2008).

EMPIRICAL REVIEW

Akhaukwa, Maru & Byaruhanga (2013) conducted a study to determine the effect of collective bargaining process on industrial relations environment in Public Universities in Kenya. The data analysis was based on stratified probability sample of 322 respondents interviewed in 2012 in the three public universities in Kenya. Exploratory factor analysis was performed to reduce large number of variables for further analysis. Linear regression analysis was employed to determine the effect of collective bargaining process on industrial relations. The result showed that collective bargaining process had a significant effect on industrial relations environment (=0.495, p<0.05). It was recommended that parties to collective bargaining should reconsider their strategies for engagement in order to enhance their relationship.

Joseph, (2015) conducted a study on the Constraints on public sector bargaining in Canada. The study examined public sector bargaining in Canada during the consolidation period (1998–2013). The study assessed the impact of these environmental pressures on relative bargaining power. The study examined selected collective bargaining indicators – union membership, wage settlements and strike activity. The results indicated that the relative bargaining power of public sector unions was eroded during this period. The study concluded that a period of highly constrained public sector collective bargaining were to continue in the future.

RESEARCH METHODOLOGY

Research Design

The study adopted a descriptive research design. Descriptive research design is used when the research is concerned with finding out who, what, where, when or how much (Cooper & Pamela. Schindler, 2014). The research design will be used to measure the effect of Collective Bargaining on employee performance.
Target Population

Sunders et al (2009) defines population as the complete set of case or group members. According to Sekaran (2010) defines population as the entire group of people or things of interest that the researcher wishes to investigate. The population of the study was all the staff in the Nairobi County for seven (7) companies in Energy sector. The target population was 5,001 staff.

Sampling Frame

Sampling frame is the actual set of units from which a sample has been drawn (Mugenda & Mugenda, 2012). It is a physical representation of the target population and comprises all the units that are potential members of the sample (Kothari, 2014). The sample frame consisted of all employees of the companies in the energy sector in Nairobi County, Kenya. As per September staff establishment of seven respective companies in energy sector in Nairobi County the sampling frame is 5,001 employees. The companies include Kenya Power, KenGen, Kenya Electricity Transmission Company, Geothermal Development Company, Rural Electrification Authority, Energy Regulatory Commission and Kenya Nuclear Electricity Board.

Sample Size and Sampling Technique

According to Kothari (2014), a sample size refers to the number of items to be selected from the universe to constitute a sample. An optimum sample is one that fulfils the requirements of efficiency, representativeness, reliability and flexibility. While deciding on the size of the sample, the study must determine the desired precision and also an acceptable confidence level for the estimate. Kothari (2014) recommends that the larger the sample size, the greater the probability the sample will reflect the general population. In stratified random sampling subject are selected in such a way that the existing subgroups in the population are more or less reproduced in the sample (Mugenda & Mugenda, 2010). In ideal stratification each stratum and stratification is also important when the researcher wants to study the characteristics of each of certain population subgroups (Cooper et al, 2006). The study had seven (7) heterogeneous stratum from energy sector consisting of Kenya Power, Kengen, KETRACO, Geothermal Development Company, Rural Electrification Authority, Energy Regulatory Commission and Kenya Nuclear Energy Board. The study calculated the sample size using the following formula given by Mugenda & Mugenda (2010).

\[ n = \frac{Z^2pq}{d^2} \]

Where: \( n \) = the desired sample size (If the target population is greater than 10,000); \( z \) = the standard normal deviate at the required confidence level; \( P \) = the proportion in the target population estimated to have characteristics being measured; \( q \) = 1-\( p \); \( d \) = the level of statistical significance set.
If there is no estimate available of the proportion in the target population assumed to have the characteristics of interest 50% should be used (Mugenda & Mugenda, 2003). Z statistics is taken as 1.96 and desired accuracy at the 0.5 level. The sample size is:

\[ n = \frac{(1.96)^2 \cdot (0.50)(0.50)}{(0.050)^2} = 384 \]

If the target population is less than 10,000, the required sample size will be smaller and is calculated using the formula below (Mugenda and Mugenda, 2003).

\[ n' = \frac{n}{1 + \frac{(n-1)}{N}} \]

\[ n' = \frac{384}{1 + \frac{(384-1)}{5,001}} = 356 \]

In order to get equal representation from each stratum the study will compute percentage presentation by considering the size of each stratum as a percentage of total population. The study then multiplied the percentages of each stratum with 356 to get proportionate representative from each stratum.

Where: \( x \) = The number of employees in the respective company; \( y \) = Total Target population; and \( Z \) = sample size per strata.

**Data Collection Instruments**

Zikmund (2003) defines data collection tools as the instruments used to collect information in research or the methods employed to collect research data. The choice of the methods to be used is influenced by the nature of the problem and by the availability of time and money (Cooper & Schindler, 2006). Primary data is the data which is collected fresh and for the first time and thus happen to be original in character (Kothari, 2014). Louis et al., (2007) describes primary data as those items that are original to the problem under study. Primary data was collected through administration of semi-structured questionnaires to both Management and Unionisable employees of the respective companies in the energy sector in Nairobi County, Kenya. A questionnaire is a data collection tool, designed by the study and whose main purpose is to communicate to the respondents what is intended and to elicit desired response in terms of empirical data from the respondents in order to achieve research objectives (Mugenda & Mugenda, 2010). According to Kothari & Garg (2014) this method of data collection is quite popular, particularly in case of big enquiries. In this method a questionnaire was distributed to respondents with a request to answer the questions and return the questionnaire. In this study,
questionnaires were used as the main instrument of data collection from both all staff in the respective companies in the energy sector. According to Kothari & Garg, (2014) questionnaires give a detailed answer to complex problems. The researcher also relied on library and desk research, study of various books, Scholarly journals and articles, reports, internet and publications on the subject matter and related topics. Secondary data involves the data collected using information from studies that other studies have made of subject (Dawson, 2009). Zikmund (2003) describes secondary data as data collected by others and found by the comparative researcher in ethnographies, censuses and histories. Secondary data was obtained from respective companies in the energy sector in Nairobi City County, Kenya, the internet, journals, text books and peer reviewed articles.

**Data Collection Procedure**

The study administered the questionnaires to the entire sample through personal delivery. The study exercised care and control to ensure that all questionnaires were issued to the respondents and to achieve this, the study maintained a register of questionnaires, which were send, and received back.

**RESEARCH RESULTS**

The study sought to examine the effect of collective bargaining on employee performance in the energy sector in Nairobi City County, Kenya. The collected data was sorted to remove the incompleteness and to facilitate coding then keyed into SPSS Version 22.0 for analysis and discussion. Diagnostic tests as well as statistical modeling (inferential statistics) were computed, and the results presented in the form of figures, tables and charts.

**Descriptive Analysis of Variables**

The study was to find out the effect of collective bargaining on employee performance in the Energy sector in Kenya. The findings in table 4 are based on means and standard deviations obtained from the responses given on a 5-point Likert scale. The data collected on this scale showed the level of agreement of the respondents to the given aspects of collective bargaining and employee performance. The study found that majority of the respondents agreed that employees participate in negotiation through collective bargaining (M = 3.84; SD = 0.934). The respondents strongly agreed that they had strong bargaining power during collective bargaining (M = 4.00; SD = 0.868); majority agreed that collective bargaining agreement was adhered to by management (M = 3.96; SD = 0.763) and that collective bargaining influenced employee performance (M = 3.89; SD = 0.830). The findings indicate that there are clear guidelines on collective bargaining (M=3.70; SD 0.829). Respondents agreed that there is external influence on the collective bargaining process (M=4.00; SD=0.818). The respondents also agreed that best practices were fairly adhered to (M=3.00; SD 0.801). The standard deviations were small showing small variations from the individual means.
These findings agree with those by other scholars. Godfrey et al. (2007) noted that when there is negotiation in collective bargaining, there is usually promotion of cooperation and mutual understanding between workers and management by providing a framework for dealing with industrial relations issues without resort to strike and lockouts. Cole (2005) agreeing with these findings notes that strong bargaining in collective bargaining is central to any industrial relations system since it is a tool through which regulated flexibility is achieved. When it is adhered by the management, it influences employee performance. Similar results were postulated by Budd et al. (2008) who determined that when the collective bargaining is adhered by those in management, it achieves a workable relationship with management, found on mutual respect, in which tangible benefits are realized on agreed terms and not just on management’s whim.

**Diagnostic Tests**

Parametric tests such as correlation and multiple regression analysis require normal data. When data is not normally distributed it can distort the results of any further analysis. Preliminary analysis to assess if the data fits a normal distribution was performed. To assess the normality of the distribution of scores, Kolmogorov-Smirnov test and graphical method approach were used. When non-significant results (> 0.05) are obtained for a score it shows the data fits a normal distribution (Tabachnik & Fidell, 2007). The data in table 5 below shows the results of the Kolmogorov-Smirnov. The results indicate that the data in relation to each variable is normally distributed as the significance value in all cases is greater than 0.05. This implies the data was suitable for analysis using correlation and regression analysis. Graphical method results are shown in figure 1. The results in indicate that the residuals are normally distributed.

![Histogram](image.png)

**Figure 1: Test for Normality**
Table 1: Results of Kolmogorov-Smirnov Test for Normality

<table>
<thead>
<tr>
<th>Variable</th>
<th>K-S Test Statistic</th>
<th>Df</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collective bargaining</td>
<td>0.158</td>
<td>323</td>
<td>0.093</td>
</tr>
</tbody>
</table>

Correlation Analysis

Pearson’s product-moment correlation was carried out to determine whether there were significant associations between collective bargaining and employee performance. In this study, Pearson’s product-moment correlation coefficient (r) was used to explore relationships between the variables, specifically to assess both the direction and strength. The correlation test was conducted at the 5% level of significance in a 2-tailed test. Thus, a critical value was set at 0.025 above which the association would be found not statistically significant. This was crucial to assess the nature of relationships existing between the variables before carrying out further analysis. The study found that collective bargaining had a moderate positive significant relationship with employee performance, \( r = .547, p = .000 \). The findings corroborate well with those of other scholars. Anon (2015), asserts that performance is a product of many factors.

Table 2: Correlation Matrix

<table>
<thead>
<tr>
<th></th>
<th>Collective Bargaining</th>
<th>Employee Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>N</td>
<td>311</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>311</td>
</tr>
</tbody>
</table>

Regression Analysis

A regression model was run on the indicators of collective bargaining. The results in table 3 show the fitness of the model used in explaining the strength of the relationship between the constructs of collective bargaining and employee performance. The collective bargaining indicators negotiation, bargaining power and collective bargaining agreement were found to be satisfactory variables in determining employee performance. This implies that negotiation, bargaining power and collective bargaining agreement explain 29.7 % variation in employee performance. This was supported by the coefficient of determination also known as R-square value of 0.297. Thus, based on this coefficient, other factors that were not considered in study
amount to 70.3% (1-0.300=0.703 expressed as percentage) of the variability in employee performance in the energy sector in Kenya. The results are presented in Table 3.

Table 3: Model Summary for Collective Bargaining

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.547a</td>
<td>.300</td>
<td>.297</td>
<td>.41868</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Collective Bargaining

Further tests on ANOVA as showed in the table 4 revealed that the F cal 31.121 was greater than the F crit 5.80 and the P value 0.000 was which was less than the level of significance 0.005. implying the results were statistically significant and there was goodness of fit of the model fitted for this relationship. The results also mean that negotiation, bargaining power and collective bargaining agreement are good predictors of employee performance.

Table 4: Analysis of Variance

<table>
<thead>
<tr>
<th></th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>68.860</td>
<td>4</td>
<td>17.215</td>
<td>31.121</td>
<td>0.005</td>
</tr>
<tr>
<td>Residual</td>
<td>89.566</td>
<td>306</td>
<td>0.282</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>158.425</td>
<td>310</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Performance
b. Predictors: (Constant), Collective Bargaining

The study found that collective bargaining significantly predicted employee performance, β = .547, t = 11.496, p < .000. Since the t and p value were significant, this finding implied rejection of the null hypothesis and therefore the study accepted the alternative hypothesis that collective bargaining has a significant effect on employee performance in the Energy sector in Kenya. The results are presented in Table 5.

Table 5: Regression Coefficients for Collective Bargaining

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collective Bargaining</td>
<td>3.102 [.125]</td>
<td>.547 [.031]</td>
<td>24.723</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td>.362 [.031]</td>
<td></td>
<td>11.496</td>
<td>.000</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Employee Performance

Based on these, the regression model fitted as: Y = β0 + β1X1 + ε therefore holds true. The following regression model was postulated; Y = 3.102 + 0.362X1 + 0.125
The findings obtained in the study imply that for every one unit change in collective bargaining, employee performance increases by 0.362 hence implying a positive impact of collective bargaining on employee performance. These findings align with the findings posited by Cole (2005) that strong bargaining in collective bargaining is central to any industrial relations system since it is a tool through which regulated flexibility is achieved. When it is adhered by the management, it influences employee performance. Similar results were postulated by Budd et al. (2008) who determined that when the collective bargaining is adhered by those in management, it achieves a workable relationship with management, found on mutual respect, in which tangible benefits are realized on agreed terms and not just on management’s whim.

**Hypothesis Testing**

\[ H_0 \text{ There was no significant of collective bargaining on employee performance in the energy sector in Kenya.} \]

Linear regression was used to test the hypothesis. The criteria used in hypothesis testing was that research hypothesis was to be accepted if the p value is 0.05 or more.

Table 4 shows a that the p= 0.005 which is less than 0.05, the research hypothesis was rejected and therefore it was concluded that there is a positive significant effect of collective bargaining on employee performance in the energy sector in Kenya. This finding is consistent with that of Akhaukwa, Maru & Byaruhanga (2013) who assert that collective bargaining affects performance. From Table 4.31, collective bargaining had coefficients, \( \beta = .180, t = 4.316, p < .001 \) showing a significant relationship between collective bargaining and employee performance.

**CONCLUSIONS**

The study found there exist a relationship between collective bargaining and employee performance in the energy sector in Nairobi City County, Kenya. The statistical results of coefficients showed that there is a significant effect of collective bargaining on employee performance in the energy sector in Nairobi City County, Kenya. From the forgoing, it can be concluded that an improvement in collective bargaining leads to a positive improvement in employee performance in the energy sector in Nairobi City County, Kenya.

**RECOMMENDATIONS**

The study findings indicated that there exists positive relationships between collective bargaining and employee performance. The study therefore recommends that the energy sector in Nairobi City County, Kenya should stipulate policies that would improve the instruments of collective bargaining to improve employee performance.
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