

Collective Bargaining and Management Contract in Hospitality Industries: Issues in Contract for Industrial Feedings

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Abstract. This article examines the effect of collective bargaining on management contract in the hospitality industry. The data used for drawing inference was from reviewed literature. A qualitative and quantitative view of collective bargaining was taken from the dimensions of distributive bargaining, integrative bargaining, productivity bargaining and composite bargaining, whereas the management contract was seen from service and operations contract. The study adopted the stratified sampling technique in collecting its data. A total of 52 respondents were drawn from six (6) hotels in Port Harcourt. Spearman rank order correlation coefficient was the adopted statistical tool used in analyzing the collected data. The literature revealed that both the distributive and the productivity bargaining had more influence on the service contract, while the integrative and the composite bargaining had more influences on the operations contract as revealed by the statistical calculations. Therefore, the paper concluded that collective bargaining had influence on management contract.

Keywords: collective bargaining, integrative bargaining, productivity bargaining, management contract, supply-service contract.

1. Introduction

The requirement for a favourable workplace and welcoming connection between the three on-screen characters in industrial relations (labour,

management and the government) and how best to advance and keep up worker job satisfaction and efficiency has drawn in the consideration of the management of both public and private organizations. This is on the grounds that; these factors are extremely urgent to the survival of each organization. A nearby look at these factors proposes that Labor-Management relation is a vital factor that may decide or impact alternate factors. One essential element of the components of an organization is varying interests. Each partner in an organization has his/her interest which ordinarily may contrast from other partner's interests.

The degree to which these interests are blended and fulfilled decides the degree to which the organizational condition or the workplace is favourable for collaboration and most extreme improved performance. These interests are frequently attained through collective bargaining - an instrument in labour/management relations which enables both management and employees to talk about issues and take joint choices that will guarantee the survival of the organization. Work improving approaches have always been for a collective good as there is general enthusiasm for an abnormal state of work. Any company's employment relations system is shaped by its history and various socio-political, economic and technological forces both inside and outside the company. The lack of genuine, strong collective agreements has been an impediment to the improvement of a labour

relations system which has not yet mobilized the potentials of society in an optimal manner which will boost economy and promote social equality and progress in labour relations.

Collective bargaining is an industrial practice made to enhance harmony by mutual settlement of trade disputes between an employer and workers or their respective unions. The term collective bargaining is applied to the arrangement under which wages and conditions of employment are settled by a bargain in the form of an agreement made between employers or associations of employers and workers organizations. It includes all methods by which groups of workers and relevant employers come together to attempt to reach an agreement in matters under discussion by a process of negotiation, such matters are often regarded as constituting a challenge which generates into a competitive rivalry and usually the method of reaching a decision is compromise.

As Onusanya (2005:290) points out “in the wake of capitalism and the spread of industry, negotiation took a new turn more than ever before and as such, people must not fear to negotiate and negotiation must not be in fear”. On Usanya's position clearly brings to mind the fact that bargaining and human existence are inseparable to an extent that where more than two persons are gathered, the next possible party is or should be bargaining. The justification for bargaining in society literally stands on the clear fact that conflict is an inevitable part of human existence and whenever it occurs, people need to find the best possible way or ways of settling such conflicts.

Interestingly, nowhere else is the above assertion more correct and prevalent than the workplace. Social relationships in the workplace are constantly fluid in such a way that conflict and bargaining can be rightly described as industrial bed fellows. In an attempt to defuse the generation of conflict, most societies have developed rules, institutions and procedures for the regulation of conflict. Some rules are prescribed by the state in various labour laws, other rules have been developed through agreements between employers and unions.

These institutionalize the process of collective bargaining, which is accepted by many countries as being the best means of resolving conflict between employers and workers.

Management contract practice is a vital aspect in the hospitality industry that intends to gain a competitive advantage and value for money. A firm's procurement process is incomplete without an effective and efficient contract management practice. Cropper (2008) describes management contract as a document that include numerous concurrent agreements that address such matters as real property rights; intellectual property rights; hotels as financial assets; hotels as operating businesses; and the needs of owners, operators, and lenders. It also involves handling of issues that include errors, payment, specifications, policy specifications, as well as any changes that may result in the course of the contract execution.

Management contract term can be defined as the length of time that the agreement is to remain in effect. Both a commencement date and a termination date are usually specified in this provision. The commencement date may be either a specific date or it may be as of a certain occurrence, such as the date the hotel officially opens for business. Whatever the certain occurrence may be, the parties to the contract must be careful to define it clearly. The contract term may consist of an initial term and one or more renewal terms that extend the total length of the agreement.

The hospitality business is a general gathering of organizations that provide services to clients. It's centered around the fulfillment of clients and giving explicit encounters to them. The hospitality business is one of a kind since it depends so intensely on optional salary and available time. The multibillion-dollar hospitality industry has three essential regions. The primary region is accommodations, which incorporates hotels, motels, and their likes. The second region is food and beverages, which includes eateries, junk food chains, and different foundations that give nourishment and refreshments, and the last zone of the hospitality business is travel and the tourism, which

incorporates carriers, prepares, and voyage ships.

The different zones of the hospitality business have one basic center: the client. As noted before, the hospitality business gives benefits that individuals use when they have available time and additional cash, in this manner giving highly satisfying services to customers.

The proper execution of a hotel management contract between the owner and the operator is a critical step in the development of a successful hotel venture. In today's highly competitive environment, operators are keen to "seal the deal" as quickly as possible, sometimes overpromising performance results. Owners, however, are now more aware and knowledgeable, wanting to safeguard their investment by understanding the management contract terms and conditions thoroughly prior to signing. Management contract entails a process of efficient and systematic management of contract creation, implementation, and analysis in order to maximize financial and operational performance, as well as minimize risks. Therefore, this paper will examine collective bargaining and its relationship on management contract in the hospitality industry with focus on Hotels in Port Harcourt.

2. Literature Review

2.1 The Concept of Collective Bargaining

According to Diali (2007), the term collective bargaining was originated by Webb and Webb described the process of agreeing terms and conditions of employment through representatives of employers (and possibly their associations) and representatives of employees (and probably their unions). Diali (2007) further posits that collective bargaining is the process whereby representatives of employers and employees jointly determine and regulate decisions pertaining to both substantive and procedural matters within the employment relationship. The outcome of this process is the collective agreement.

Collective bargaining defined as a social process that continually turns disagreements into agreements in an orderly fashion. According to Armstrong & Taylor (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).

Collective bargaining as one of the processes of industrial relations performs a variety of functions in work relations. It could be viewed as a means of industrial jurisprudence as well as a form of industrial democracy. It is a means for

resolving workplace conflict between labour and management as well as the determination of terms and conditions of employment. Davey (1972) views collective bargaining as “a continuing institutional relationship between an employer entity (government or private) and labour organization (union or association) representing exclusively a defined group of employees of said employer (appropriate bargaining unit) concerned with the negotiation, administration, interpretation and enforcement of written agreements covering joint understanding as to wages/salaries, rates of pay, hours of work and other conditions of employment”. International Labour Organisation (ILO) (1960) views “collective bargaining as negotiations about working conditions and terms of employment between an employer, a group of employers or one or more employers” organization, on the one hand and one or more representative workers organization on the other, with a view to reaching agreement.

2.2 Dimensions of Collective Bargaining

Distributive Bargaining

The earliest form of bargaining was distributive or conjunctive bargaining in which the parties used to 'bargain' to distribute the existing 'cake' in the organisation. It created 'win' or 'lose' situations, where the loss of one is equivalent to the gain of the other. The distributive bargaining does not resolve the problems of workplace functioning, because the primary concern for both the parties is to maximize their respective gains at the cost of each other. In this bargaining the preoccupation is with wage rates, working conditions, concessions to labour. It is a one-way process. The union takes, the management gives, as demands are accepted in terms of factors such as cost of living index, ability to pay, regional practices, awards, precedents, dictates of union pressures, price to be paid to buy peace.

Integrative Bargaining

The integrative bargaining has no answer when the organisation is facing recession and the economic health of the industry is itself under

threat. After the new industrial policy of liberalisation, competitiveness, market economy, arrival of multinationals, many industries are facing recession which is pushing labour and management into each other's arms in a bid for survival. In other words, labour and management have no option but to integrate their interest for surviving the crisis.

Productivity Bargaining

According to Joseph (2015), productivity bargaining is a process of negotiation in which labour improve productive efficiency and management increases the rewards. Productivity bargaining links workers' wages and monetary benefits with productivity. There is a corresponding increase or decrease in wages and benefits in relation to a standard productivity index/output. It is a win-win situation as management offers high rewards to workers' response in terms of greater effort, leading to lower or static unit labour cost. The provisions of productivity agreement ideally seek to remove irritants in the work environment and provide an opportunity to restructure collective relations by shifting the emphasis from confrontation and containment of conflict to constructive involvement and cooperation on a continuing basis (Akhaukwa, Maru & Byaruhanga, 2013).

Composite Bargaining

Akhaukwa, Maru & Byaruhanga (2013) comparatively asserted that composite bargaining is of recent origin. Furthermore, they proposed that in this bargaining, unions not only bargain on monetary issues but also negotiate on work norms, manning standards, sub-contracting practices, environmental and health hazards, recruitment and promotion patterns etc. By bargaining over manning standards, unions do not only try to ensure against upward workload revision, they also strive to maintain employment levels for the future.

2.3 The Concept of Management Contract

Kakwezi (2012) defines management contract as an arrangement under which operational control

of an organization is vested by contract in a separate enterprise that performs the necessary managerial functions in return for a fee. Management contracts involve not just selling a method of doing things but involve actually doing them. A management contract can involve a wide range of functions, such as technical operation and of a production facility, management of personnel, accounting, marketing services and training.

As Uher and Davenport (2009) noted, a businessman who owns several companies, cannot distribute his attention amongst every minute details of his companies. He needs some expert assistance with his work so he can concentrate on broader aspects. This assistance can be provided by the contract management companies and specified in the management contract. On hiring such companies, the owner will have more time to concentrate on the expansion of the business rather than day-to-day working of the companies. The businessman can distribute some of his basic responsibilities to these management companies such as recruitment, deployment and retention. It also involves practical monitoring, management and review of terms of contract established through the process of procurement, ensuring delivery is done appropriately. Contract management activities aim at ensuring that parties comply with the contractual terms and conditions, as well as documenting and accepting any necessary changes in the contract execution.

Since contract management is a process, it involves certain activities necessary to accomplish in order to realize its benefits. Common contract management practices include contractor monitoring and acceptance management; managing the contractor relationship; contract administration; dispute resolution; and contract closure. Contractor monitoring and acceptance management is about ensuring that the contractor is undertaking his duties and fulfilling his obligations in compliance with the contract. This also is helpful to the contracting authority in identifying any issues or problems in advance that could arise and offer timely solutions.

Entering into a management contracts might lead to difficulties and problems for the business owners. By entering into such agreements, businesses are risking their privacy. When a businessman handover his company's management to a third party, he may enter into confidential disputes. These contracts make the business expose to ethical breaches, fraud and public exposé. The information of the other contracts made by the business is also available to the management contract companies. Since their responsibilities ranges from price negotiation to stock control, they have full information about the vendors. Management responsibilities include record of all employees, their personal information and payments procedures. Management contract companies have the information of the business finance also. This puts the business in a vulnerable position (Cropper, 2008).

Blazey (2009) asserts that Hotel management contract is a written agreement between the owner and the operator of the hotel. The base of this relationship is that the operator handles the day-to-day working of the hotel and takes up all the additional responsibilities such as maintenance, front office, housekeeping, handling food and beverages and sale. The management contract company has the power to recruit and fire the employees. The owner will authorize and pay for the capital project of the hotel but the responsibility of it is assigned to the operator. The hotel management contracts can be lengthy and complicated and the negotiation of this agreement focusing the power of the owner and the rights of the operator. The initial draft is offered by the prospective operator. It usually is in favour of the operator so that operator can seek a long-term contract. It doesn't want any interference from the owner but at the same time wants continuous supply of investment for the expansion and growth of the project.

Furthermore, he noted the elements of hotel management contract as:

- Terms and conditions of the agreement
- Length and durability of the agreement
- Procedure for early termination by either party of the contract

- Insurance policies of the hotel and its fixed assets
- Management company ownership or investment required
- Contract terms in the event of sale of the hotel
- Incentive fees earned or penalties assessed related to operating performance
- The exclusivity of the management company
- Status of the employees

2.4 Collective Bargaining and Management Contract

2.4.1 Collective Bargaining and Supply-Service Contract

Collective bargaining had 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 which hinders service delivery as proposed by the parties involved in the management contract. According to Gomez-Mejia et al (2003), fair and legal process would often result in successful collective bargaining, maintenance of industrial discipline and peace (distributive bargaining). In the same vein, Adewole and Adebola (2010) asserted that frequent outbreak of industrial conflicts between employers and employees could be effectively managed through collective negotiation and consultation with the workers' representatives.

One source of conflict, concerns the degree of worker control over their pay and working conditions. Labour market segmentation theorists argued that the structure of internal labour markets was the result of a struggle between employers and unions over the control of work – for example, over technologies and skill demarcations (productivity bargaining) (Rubery 1978; Grimshaw and Rubery 1998); and often served as a successful strategy by employers to control or marginalize union control on the shop floor (Stone, 1974). Thus, while performance may be improved under cooperative workplace initiatives, this is argued to often be at the expense of worker power, associated with reduced job security, work intensification, and increased 'capture' of gains

from productivity improvements by management and owners (productivity bargaining) (Parker and Slaughter 1988; Kelly, 2004).

Though, there have been few studies that focus on the application of collective bargaining (Morrow and McElroy, 2006; Nurse and Devonish, 2007), Jensen and Rässler (2007) study indicated that effects of collective bargaining on wages and firm performance have received a great deal of interest. They noted this form of collective bargaining as the distributive dimension. In their work, it was established that distributive bargaining has a significant influence on the quality of service rendered in an organization. While Traxler and Brandl (2011) study showed that collective bargaining institutions had little or no impact on employment performance in the OECD countries. These empirical evidences showed mixed results that are inconclusive. Literature also decried limited scholarly contribution on industrial relations from developing nations especially the African continent (Budhwar, 2003; Wood and Dibben, 2006; Wood, 2008).

2.5 Collective Bargaining and Operational Management

Gomez et al. (2003), explains 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 (composite bargaining). Similarly, there should also be genuine willingness on the part of the parties to 'give and take' at the bargaining table, cooperation and consideration of fairness under the process (composite bargaining) as this influences the operations on the particular project or job.

Cole (2002) explains that, the process of negotiating collective agreement does not occur in a vacuum. The aim of the process, so far as

employees' representatives are concerned, 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 (composite bargaining). On their part, management representatives see collective bargaining as one method of attaining corporate objectives relating to pay and conduct of employee relations (integrative bargaining). Collective bargaining is therefore a rational process in which appeal to facts and to logic reconciles conflicting interests in the light of common interest of both parties for effective and efficient running of the organization or process (Bendix, 2001).

Hence, the application of the agreed set of rules to govern the substantive and the procedural terms of employment relationship between the employer and employee will influence industrial relations environment. The amount of trust built up between management and the trade union representatives, in particular, and management and workforce generally, during the process is a major factor in the quality of industrial relations. Where the trust is high, it is less likely that one side or the other will resort to sanctions (Cole, 2002).

Johnstone et al. (2004) revealed that lack of feedback, trust and accountability created tensions between the union representative and employees, hence denting credibility of the process (composite bargaining). This can also happen when the employer refuses to engage in meaningful bargaining (poor integrative bargaining), by making the first offers, final offers and impose changes in terms and conditions rather than negotiate over them as reported in the study by Gall, (2007) on bad

faith bargaining. The study further pointed out that, alternatively, the reluctant employer could engage in "hard-nosed" bargaining where any concessions to the union are self-financing, whereby pay rises are only granted if workforce productivity is increased through redundancies, not filling vacant posts or longer working hours.

Gatchalian (1998) suggest that the negotiations should end up without anyone "losing face", feeling bitter and humiliated, or being personally aggrieved (integrative bargaining). Otherwise the process can develop into a personal confrontation, with each side forgetting the real issues and the main objective. Collective bargaining process is thus expected to be fair and legal, and should take place in an environment of trust in order for parties to achieve a workable relationship for easy operations of the facility management. Collective bargaining process is therefore expected to affect management contract. The literature shows that collective bargaining process influences the quality of services rendered through enhanced performance from already reached agreement in the management contract.

3. Methodology and Conclusion

The population of this study is the accessible components of the census normally established in numbers (Baridam, 2001). For this study, our population is the total number of 4 hotels in Port Harcourt was understudied. The researcher used the stratified sampling technique. 10 employees from each hotel were selected. This gave the researcher an accessible population of 60 respondents at the various understudied hotels.

Table 1: Table showing Population distribution

S/N	Stratum	Hotels	Respondents
1	Aba Road (Rumuomasi, Stadium Road, Mile 1)	Savannah, DMatel, Protea	30
2	Oluobasanjo (Waterlines, Oluobasanjo, GRA)	Beverly Hills, Brooklyn, Visa Carina	30
			60

A total of 60 employees in the hotels in Port Harcourt were sampled. The researcher determined the sample size using the Taro Yamene's formula.

$$n = \frac{N}{\dots}$$

$$1 + N(e^2)$$

Where,
 N = Population
 n = Sample size sought
 e = level of significance (0.05)

$$n = \frac{N}{1 + N(e^2)}$$

$$n = \frac{60}{1 + 60(0.05^2)}$$

= 52 employees are to be sampled.

For this study population of 60 employees were drawn from 4 hotels in 2 strata with 3hotels in each stratum in Port Harcourt through stratified sampling technique. 10 employees were selected from each hotel. In stratified sampling, the researcher deliberately selects the sampling units that are to be included in the study because he/she feels that they are representative of the target population (Baridam, 2001). In analyzing the information for in this study, we will classify collected data into different groups with the aid of tables. This analysis is done using percentages and result adequately interpreted. The Spearman Rank Order Correlation Coefficient will be used in testing the stated hypotheses through the use of statistical package for social sciences (SPSS). The reason for choosing the Spearman Rank Order Correlation Coefficient as the statistical tool is because the research questions were asked in the ordinal form.

4. Data Analysis

The research hypotheses which were stated earlier in chapter one was tested with the help of responses from the questionnaires. The research hypotheses are here related and analyzed.

The formulated hypotheses will be tested in five step procedures, they are as follow:

- Formulation of hypothesis
- Identification of test statistics
- Formulation of decision rule
- Computation of the value of the test statistics
- Making a decision and interpretation.

4.1 The Rule for Decision Making

The decision for accepting or rejecting the stated hypotheses is based on the benchmark provided below as adapted from Guilford's scale (1956) as cited in Irving (2005).

$r < .20$ – slight correlation and negligible

$.20 - .40$ – low correlation/small relationship

$.40 - .70$ – moderate correlation/substantial relationship

$.70 - .90$ – high correlation/marked relationship

$.90$ and above – very high correlation/very dependable

Invariably, when the value of $r < .20$ is the benchmark for accepting null hypothesis; $r \geq .20$ is for rejecting null hypothesis.

Hypothesis 1

Ho₁: There is no significant relationship between integrative bargaining (INBAG) and supplier contract (SUPCT) in the hospitality industry.

The test statistics used in testing the above hypothesis is the spearman's rank order correlation coefficient. The computation of the value of the test statistics as done using SPSS is represented in the table below.

Table 2: Spearman rank order calculation
Correlations

			INBAG	SUPCT
Spearman's rho	INBAG	Correlation Coefficient	1.000	.560**
		Sig. (2-tailed)	.	.000
		N	52	52
	SUPCT	Correlation Coefficient	.560**	1.000
		Sig. (2-tailed)	.000	.
		N	52	52

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Survey data, 2018.

The statistics gave an r value of 0.560 which it gives from our scaled list a highly marked correlation between the variables under investigation. The probability value from the table is 0.000, which implies that the variables are statistically significant. Therefore, we can reject the null hypothesis which states that “there is no significant relationship between integrative bargaining (INBAG) and supplier contract (SUPCT) in the hospitality industry in Port Harcourt”, and accept the alternative hypothesis, “there is significant relationship between integrative bargaining (INBAG) and supplier contract (SUPCT) in the hospitality industry in Port Harcourt”.

Hypothesis 2

Ho₂: There is no significant relationship between integrative bargaining (INBAG) and operational management (OPMGT) in the hospitality industry in Port Harcourt.

The table below shows the computed value for the above hypothesis using Spearman rank order correlation coefficient through SPSS.

Table 3: Spearman rank order calculation
Correlations

			INBAG	OPMGT
Spearman's rho	INBAG	Correlation Coefficient	1.000	.630**
		Sig. (2-tailed)	.	.000
		N	52	52
	OPMGT	Correlation Coefficient	.630**	1.000
		Sig. (2-tailed)	.000	.
		N	52	52

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Survey data, 2018.

The statistics gave an r value of 0.630 which it gives from our scaled list a substantial correlation between the variables under investigation. The probability value from the table is 0.000, which implies that the variables are statistically significant. Therefore, we can reject the null hypothesis which states that “there is no significant relationship between integrative bargaining (INBAG) and operational management (OPMGT) in the hospitality industry in Port Harcourt”, and accept the alternative hypothesis, “there is

significant relationship between integrative bargaining (INBAG) and operational management (OPMGT) in the hospitality industry in Port Harcourt”.

Hypothesis 3

Ho₃: There is no significant relationship between composite bargaining (CMBAG) and supplier contract (SUPCT) in the hospitality industry in Port Harcourt.

The table below shows the computed value for the above hypothesis using Spearman rank order correlation coefficient through SPSS.

Table 4: Spearman rank order calculation
Correlations

			CMBAG	SUPCT
Spearman's rho	CMBAG	Correlation Coefficient	1.000	.570**
		Sig. (2-tailed)	.	.000
		N	52	52
	SUPCT	Correlation Coefficient	.570**	1.000
		Sig. (2-tailed)	.000	.
		N	52	52

**. Correlation is significant at the 0.01 level (2-tailed).

Source: Survey data, 2018.

The statistics gave an r value of 0.570 which it gives from our scaled list a substantial correlation between the variables under investigation. The probability value from the table is 0.000, which implies that the variables are statistically significant. Therefore, we can reject the null hypothesis which states that “there is no significant relationship between composite bargaining (CMBAG) and supplier contract (SUPCT) in the hospitality industry in Port Harcourt”, and accept the alternative hypothesis, “there is significant relationship between composite bargaining (CMBAG) and supplier contract (SUPCT) in the hospitality industry in Port Harcourt”.

Hypothesis 4

Ho₄: There is no significant relationship between composite bargaining (CMBAG) and operational management (OPMGT) in the hospitality industry in Port Harcourt.

The table below shows the computed value for the above hypothesis using Spearman rank order correlation coefficient through SPSS.

Table 5: Spearman rank order calculation
Correlations

			CMBAG	OPMGT
Spearman's rho	CMBAG	Correlation Coefficient	1.000	.610**
		Sig. (2-tailed)	.	.000
		N	52	52
	OPMGT	Correlation Coefficient	.610**	1.000
		Sig. (2-tailed)	.000	.
		N	52	52

**. Correlation is significant at the 0.01 level (2-tailed).

Source: Survey data, 2018.

The statistics gave an r value of 0.610 which it gives from our scaled list a substantial correlation between the variables under investigation. The probability value from the table is 0.000, which implies that the variables are statistically significant. Therefore, we can reject the null hypothesis which states that “there is no significant relationship between composite bargaining (CMBAG) and operational management (OPMGT) in the hospitality industry in Port Harcourt”, and accept the alternative hypothesis, “there is significant relationship between composite bargaining (CMBAG) and operational management (OPMGT) in the hospitality industry in Port Harcourt”.

The following discuss were seen from the research analysis:

- Integrative bargaining had a significant and positive correlation on both service contract and operation management in the studied hospitality industry.
- In like manner, composite bargaining had positive influence on both service contract and operation management in the hospitality industry.

5. Conclusion

This study investigated collective bargaining and management contract in the hospitality industry in Port Harcourt. Collective bargaining was seen from the dimensions of integrative bargaining and composite bargaining as focus, while management contract was looked at from the measures of service contract and operations management. The findings from this study provided better understanding of the process underlying the impact of collective bargaining on management contract outcome. The result proved that collective bargaining from the dimensions of integrative and composite had more influence on the operations management of the management contract (as seen from the quantitative analysis), whereas both the distributive and the productivity bargaining had more influence on the service delivery contract as seen from the reviewed literatures. These are likely due to the fact that the distributive

bargaining hammers more on the wages which directly affects the worker, and in like manner, the productivity bargaining. The integrative and the composite bargaining dimensions hammer more on the management of the organization itself that is the likely reason its influence is more on the operational management contract measure. Therefore, it was reasonable to conclude that collective bargaining positively impacts on management contract as the dimensions of collective bargaining were significantly influencing the measures of management contract.

6. Recommendations

The following recommendations were made based on the findings of this research:

- Hospitality industry should endeavor to strike a balance on the various agreements reached with her employees as this will help enhance her operation.
- Integrative bargaining should be done for workers in the hospitality industry to improve their services rendered.

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