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**The Effects of Centralized or Decentralized Bargaining Processes in the
Management of Industrial Actions in the South African Mining Industry**

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A research project submitted to the Gordon Institute of Business Science, University of Pretoria, in partial fulfillment of the requirements for the degree of Master of Business Administration

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Abstract

Frequent and prolonged labour strike actions in the South African mining industry are widely acknowledged. These strikes continue to negatively impact on the socio-economic factors in the South African society and particularly the businesses. Studies have been conducted on the bargaining processes to ascertain proper engagement process to follow during conflict resolutions. However, the shortfall in these studies has been identification of appropriate models that reduces or totally eliminate the re-occurrence of frequent labour strikes. Understanding how the bargaining process, prior and during the bargaining process, can curb these labour strikes is therefore critical. Data from different bargaining experts were collated and analysed through a Delphi research tool. Results indicated that several steps need to be taken into account before and during the bargaining process. Such steps include continuous communication between stakeholders and the bargaining process's leadership. While labour strikes are as a result of impasses, which inform strike actions, encountered during negotiations, results show that before impasses are encountered it is imperative to manage the bargaining processes prior the formal engagements. It was also established that the choice of the bargaining process i.e. choosing between centralization of decentralization of the bargaining process may not necessarily curb the frequency of strikes.

KEYWORDS: Collective Bargaining, Centralization, Decentralization

Declaration

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any other degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

Trevor Buckham

Date

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Chapter 1: Introduction to the Research Problem

1.1 Introduction

Effective management of labour in the workplace is paramount to the sustainability of businesses. Organisations that experience fewer industrial relations (IR) conflicts have properly setup labour management structures (Godfrey, Maree, Du Toit, & Theron, 2010). Labour management involves effective management of IR issues within and outside of the business as well as the resolution of conflicts from the top to the bottom of the organisational structures.

Due to the fact that IR happens at all levels within the organisation and often critically influences the entire society within the organisation's operating sphere, it is crucial that IR issues are adequately managed to minimise their negative impact (Grogan, 2009). The systems in place to manage the IR must, amongst the other things, clarify all the role players' responsibilities in the resolution process. Because organisations are different and operate in different environments with a variety of employees from different backgrounds, there cannot be a one resolution system that satisfies all industrial relations management process. The choice of the dispute resolution process therefore becomes paramount in the management of labour and particularly for labour strikes.

Much intellectual work has been conducted in researching how to improve the resolution process during bargaining (Basson et al., 2000). While resolutions processes are misunderstood, misinterpreted and mismanaged, the time it takes to resolve the conflicts or disputes tends to be prolonged. In some instances because of the length of the resolution period society is affected. Visser (2005) mentioned that understanding how to resolve a bargaining process is important and this relates to the need to understand the resolution process. Negative impact on employment, as a result of frequent and prolonged labour unrests, can often affect not only the employees but the country's economic stability and businesses that support the economic front.

Walker (2012) and Holtzhausen (2012) agree that the manner in which collective bargaining is conducted, changes over time. The South African mining industry is under pressure from the labour unions and some political parties to review its bargaining process (Mothlante, 2012). Subsequent questions being asked is whether

the current bargaining process in this sector is adequate and effective in managing the increasingly experienced, prolonged labour unrests. Persistent inequality in the workforce has increased the dissatisfaction within this sector and translated into increased labour protestations. The Minister of Labour in SA was reported to have said that these protestations are as a result of failed 'social dialogue' between all stakeholders in the mining industry (Semono, 2012). The social dialogue is the engagement process between employers and employees to resolve social matters that affect both parties.

It is often difficult to understand why these frequent strikes are experienced and moreover finding the right balance in the management of such strikes is at times difficult. Visser (2005) has conducted extensive work in understanding the causes of industrial disputes and strike actions in the mining sectors; attempted to understand disputes resolutions processes where he provides legislative scrutiny and advice into the labour disputes. The view that different approaches into dispute resolution can be used is evident in his arguments and by other authors (Creamer, DiGerlando, Glickman, & Petersen, 2006; Elsley, Mthethwa, & Taal, 2013). The argument brought forward is the fact that bargaining processes used during engagements can take either the integrated or individualistic approach, depending on the matter at hand. Common bargaining process approaches have been used in the industrial resolution process, namely:

- Centralised bargaining approach (collectivism): where bargaining is collectively collated and a central body is used to bargain for a group of employers or employee representatives
- Decentralised bargaining approach: At times called 'Individualism'. A bargaining approach that entails individual or employee representatives engaging directly with the employer in the workplace (at floor-level)

Preference between these approaches is dependent on the bargaining parties and labour representative unions. A great deal of individualistic bargaining process is experienced worldwide as the increase in labour competitiveness in labour markets is experienced.

In studies conducted by Visser (2005), it is evident that the management of the bargaining process is essential from the economic and humanitarian aspects. The current research study being conducted therefore tries to understand which approach, in line with what Visser (2005) has studied, is appropriate for the South African mining sector to curb the frequency of prolonged strikes. This research focusses on the effective bargaining approach while exploring the causality of such frequently experienced strikes.

1.2 Background to the Research Problem

Jelle (2005), in his studies, described the need to assess the conflict in its entirety before applying any resolution process. Michael Potter's theories also support the need to follow a process in resolving a problem before applying a resolution system. In fact this means one needs to understand the deeper cause of the problem before applying the resolution process. Failed bargaining processes have had negative economic impact, at both micro and macro level. The societal effects of bargaining processes can also not be neglected, for example, the deaths of miners experienced in the South African platinum mining industry in 2012.

The repercussions of mismanagement of industrial action are significant. The mining sector's industrial incidents have been somewhat related to the perceived mismanagement of the negotiation processes, settlements reached and the dissatisfaction of employees with these settlements (Ndungu, 2012). This has therefore placed pressure on the South African government and mining companies to establish the bargaining solutions to mitigate any labour industrial actions (Mothlante, 2012). In spite of the collective bargaining process that has yielded positive results in the past, the increase in the prolonged and violent protestations in the mining fraternity has subjected the negotiation processes to scrutiny (Lawrence, 2013; Ross, 2013).

The role played by employers in the resolution of conflicts cannot be seen to favour one party and neglect or put the other employee or party at a disadvantage. Appropriate engagements between parties are therefore always crucial in industrial action resolution (Mothlante, 2012) (Khuzwayo, 2014). So this calls for an inclusive engagement process underpinned by appropriate guide lines, set by the negotiating parties.

Strong leadership characteristics are critical in the conflict resolution process where engagements are held and the parties trust the leader and the fairness to the resolution. In this instance, parties tend to be more welcoming of the solution (Webber, 2002; Prasad, 2009). Moreover parties would compromise for the sake of the resolution. It is therefore imperative that when conflict resolution processes are undertaken, the element of leadership and trust need to be present.

Many employees and labour unions have relied mainly on protestation as a conflict resolutions tool during labour disputes. South Africa legalised the employees' protestations in the mining industry through bargaining processes under Labour Relations Act 66 of 1995 (Buhlungu, Brookes, & Wood , 2007). The effectiveness of the bargaining system and sustainability of the system requires a clear understanding of the roles to be played in the resolution processes. Misunderstanding the roles can cripple the effectiveness of the bargaining processes and lead to even further conflicts and prolonged resolution processes. There is a wide call to re-investigate the bargaining processes and appropriateness of current methods of bargaining (Lawrence, 2013; Ross, 2013).

1.3 Relevance of the Research to South Africa

Experiences in the international markets reflect that the labour unrests have negative financial impacts (Fashoyin, Hayter, & Kochan, 2013). The impact goes beyond the employees and employers, however the country's economy stability is negatively affected. General resultant effects from strikes can vary from the reduction of contribution by the economic sector, productivity and employment. The South African mining sector evidently follows the same trend. Due to mining strikes, South Africa labour stability is viewed amongst the highest unstable labour markets (Ndungu, 2012). This labour risk dominates the debates in the investors' reluctance to invest in the South African mining industry. Ndungu (2012) argues that negative labour market ratings negate the investment in a country, therefore it impacts the growth of businesses and further the employment of labour.

The current social state in the South African mining industry is unstable. This instability is a result of increased frequency of prolonged industrial actions in the mining sector.

In 2014, South Africa experienced the record-breaking prolonged miners' strike in the platinum sector. Holistically, the mining industry has witnessed labour unrests and moreover the platinum industry has recently experienced long and violent strikes. In the forefront of these industrial actions has been several labour unions engaged in wage protestations. The brutality of these unrests has led to deaths of workers particularly in the renowned 'Marikana Massacre' in 2012 (Bonner, 2013). Bargaining and labour unrests are some of the ways by which employees attempt to change the status quo. Propensities leading to such unrests often include, amongst others, dissatisfaction with wage inequalities, poor living standards, social development processes and community upliftment, trade unions tactics, political influence and unsatisfactory delivery of promised past settlements, leading to mistrust (Twala, 2012).

Mining is a very important economic activity in South Africa with a contribution, annually, of almost ten per cent to the GDP in the past decades till 2000 (StatisticsSA, 2014). Furthermore, the South African mining industry currently directly employs approximately one million employees that contribute approximately ten billion rands in tax, inclusive of the taxes paid by the mining companies (Department of Labour, 2014). The Chamber of Mines of SA, which is the collective bargaining representative of employers such as AngloGold Ashanti; Harmony and Goldfields, argues that the SA mining industry contributes almost 50 percent to the country's exports and has over years contributed directly or indirectly 1.3 million jobs and moreover 17.2% of corporate tax. In spite of such a contribution, the mining sector appears to be doom-and-gloom due to the decline of its contribution to the South African economy since 2010. The doom-and-gloom picture results from continued decline of the sector's micro and macro contributions to the economy (Baxter, 2013).

The effect of strikes cripples the economy of any country because of the decreased contribution to gross domestic product (GDP) and macroeconomic activities by consumers (Twala, 2012). The business approaches into quicker resolutions during the unrests is critical. The economic impact, by strikes, extends further into closure of different mining businesses (Bonner, 2013).

Since 1994 an economic decline has been experienced in the previously successful South African mining industry (Hlahla, 2014). This decline has been felt not only in monetary terms but also in its socio-economic contribution, largely employment. In

addition, gross domestic product contributions and competitiveness of the industry has come under scrutiny over the last decade, from 2004 to 2014, and the credibility of the industry has declined along with a decline in export earnings. Barnerjee, Galiani, Levinsohn, McLaren and Woolard (2008) argued that the South African mining industry will continue to shrink and its effect on unemployment will be significant, which in turn will affect the credibility of the South Africa's economic stability. As the South African mining sector declines, employment will decrease as mines close unprofitable business units.

1.4 The Research Rationale

The aim of this research is to contribute into the academic body of knowledge in the field of labour management with specific reference to the bargaining processes. It focuses on whether the bargaining structures influence the incidence of industrial actions in the mining sector. Furthermore, the study will look at factors leading to failure of bargaining processes and the strategy in terms of local *vis-a-vis* international standards of bargaining that are used.

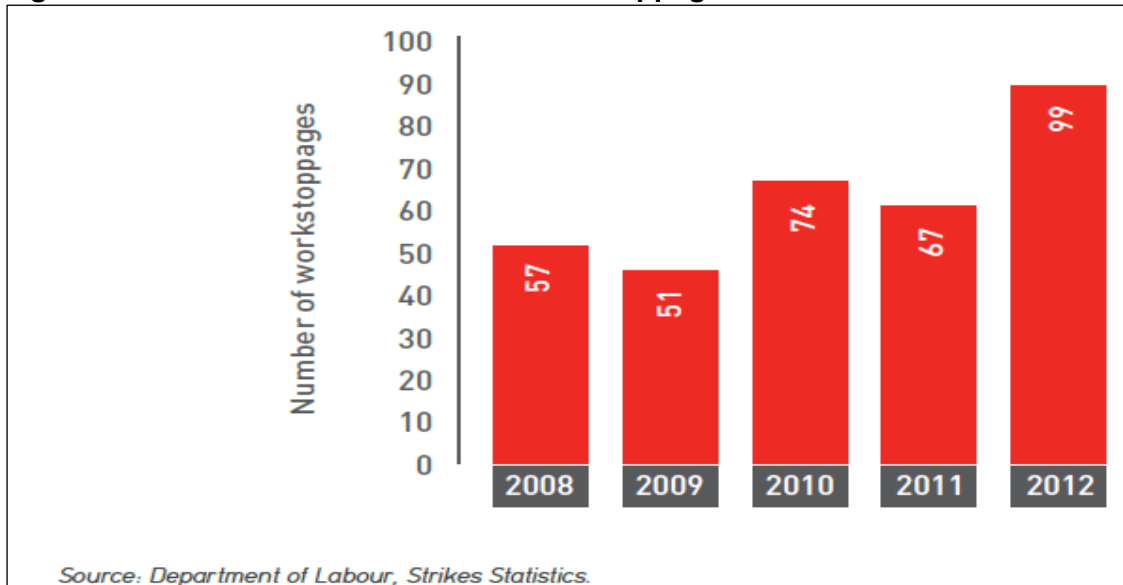
The rationale for this research therefore is to gain an understanding of the contributing factors to the frequent and prolonged strikes in the South African mining sector. It will also aim to suggest solutions that will positively impact the theory of bargaining in the South African mining industry and therefore reduce the frequency of strike actions.

1.5 The Empirical Evidence Underpinning the Research

International mining companies continue to experience frequent prolonged strikes (Semono, 2012; Twala, 2012). South Africa suffered a death of 43 miners in 2012 under the umbrella of mining labour unrests. The death of these miners stencilled the record-breaking five months labour strike experienced by platinum miners in 2014. Debates around the labour management of strikes in the platinum industry, which is predominantly decentralised, have sparked between government officials and the mining sector in its entirety (Mothlante, 2012). This research seeks to contribute to this debate and help establish which bargaining process is more favourable to curb the frequent labour strikes through provision of an appropriate approach to negotiations. Figure 1.1 and figure 1.2 below depict the continued increase in work stoppages in

South Africa. Though the graphs do not show the number of workdays lost, however, the majority of workdays lost were contributed by the mining sector (2 728359), manufacturing (188 804), social services (135 186) and agriculture (123 369), in 2012 (Semono, 2012) and the number of employees involved in the strike actions.

Figure 1.1: Trends in the Number of Work Stoppages in South Africa



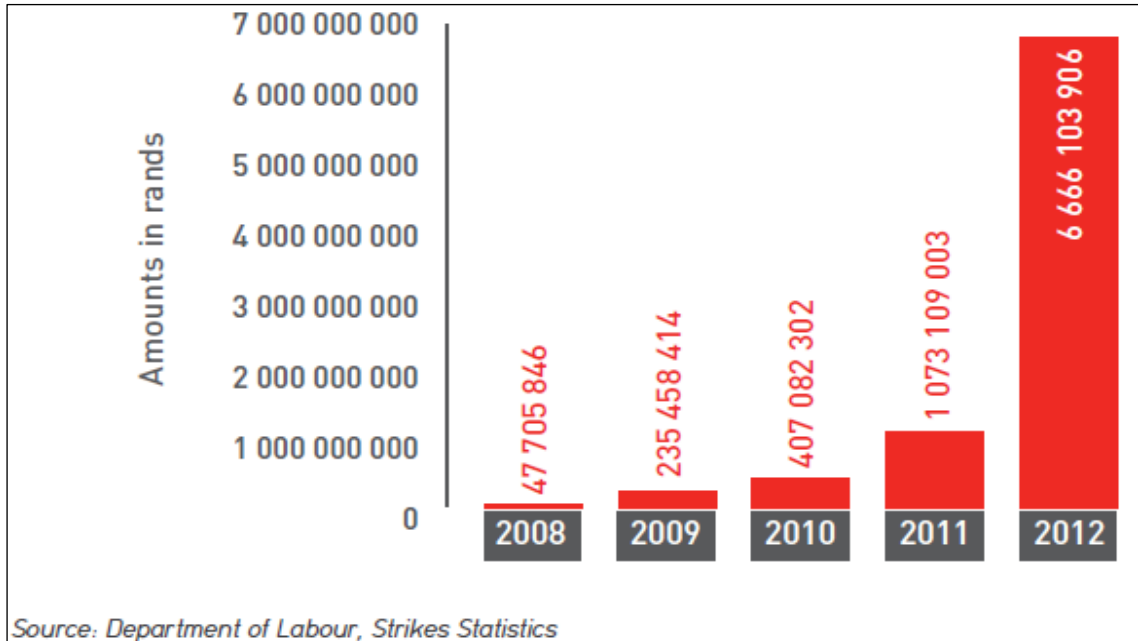
Source: DOL (2012)

Figure 1.2: Industrial Distribution of Employees Involved in Work Stoppages, Period 2011 – 2012

Industry	Employees involved	
	2011	2012
Agriculture	2 608	11 078
Mining	47 732	138 993
Manufacturing	66 042	56 324
Electricity	70	1 078
Construction	2 734	2 793
Wholesale and retail trade	3 466	4 170
Transport	5 594	12 900
Financial intermediation	424	160
Community	74 468	13 877
Total	203 138	241 391

Source: DOL (2012)

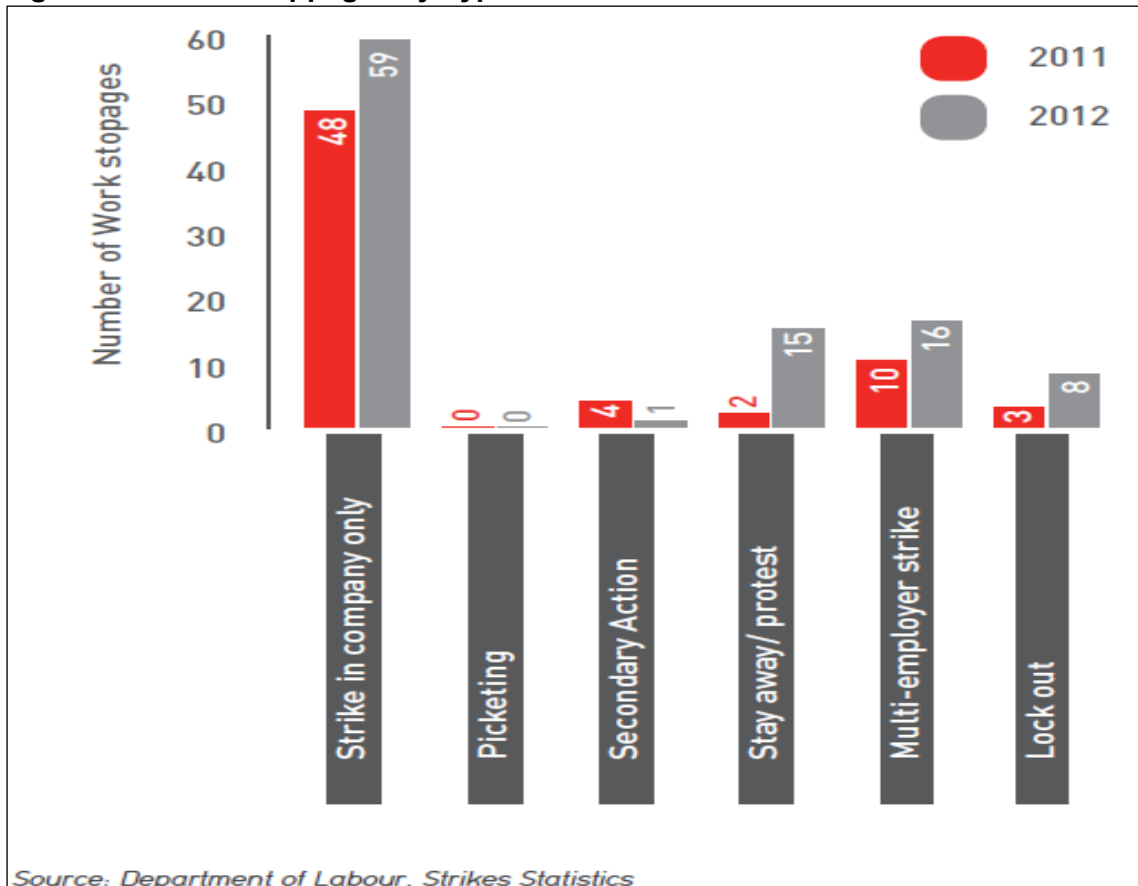
Figure 1.3: Wages Lost in South Africa Due to Work Stoppages for the Period 2008 – 2012



Source: DOL (2012)

The empirical effect of the lost wages, observed in figure 1.3, does not only affect the economic barriers but also has a social impact. Such social impacts vary from increased crime rates, as less and less income is enjoyed by households, to poor education and living-standards due to the failure to afford such services. The current living standards in the South African mining towns are horrendous and with such lost in the economic contributions, devastating the living conditions in these areas. Semono (2012) agreed that establishing the right solution to curb the lost workdays is critically important and this informs this research study.

Figure 1.4: Work Stoppages by Type for the Period 2011 – 2012



Source: DOL (2012)

1.6 The Research Limitations

This is a qualitative study that will require extensive views that will be generated through a set of questionnaires. Due to the nature of this study and the limited time constraint, no direct data will be obtained from other international affiliated mining countries. The study therefore focuses on the South African experiences and focuses on the relationship between bargaining processes in the South African mining sector. Due to the fact that qualitative research limits the researcher to describe the actions within a certain setting, this study will therefore not dwell on cause and effects of any relationships.

Furthermore, the research was conducted through the questionnaires due to the geographic spread of respondents and limited available time for the research informed the utilization questionnaires over the face-to-face interviews.

Chapter 2: Literature Review

2.1 Introduction

Hammed (1970) argues that the labour management process is an on-going labour relations process which involves bargaining as part of the process. This contradicts the definition of bargaining in some of the scholars' definitions where it is referred to as a complete resolution process. The plausible addition of the administrative dimension into the definition completes the understanding of bargaining. In essence, bargaining is a complete labour relations process that involves all the administrative matters in the labour management process. Bargaining can be understood by how bargainers perceive, use and manipulate power (Bacharach & Lawler, 1981).

2.2 Collective Bargaining Theory

Prasad (2009) defined collective bargaining as an important institution in the realm of industrial relations that provides the opportunity to formulate rules by mutual consent between employers and employees. It is a process of resolution and a mechanism for decision-making. Maree (2011) referred to collective bargaining as the decision-making process that is necessitated to resolve conflict pertaining to needs, goals, perceptions, interests and philosophies. Several analysts and scholars associate collective bargaining with the political and economic functions of the society (Grawitzky, 2011; Maree, 2011). Some of the labour representative unions associate it with freedom and well-being of employees in the workplace and it can thus be considered an instrument for social justice (Hameed, 1970). Broadly, collective bargaining represents interests in collective decision-making between labour representative unions and employers or employer's organisations (Basson et al., 2000).

Bendix (1996, [p.?](#)) defines collective bargaining as follows:

“At least, the process of bargaining endows the parties with equal status. It also rests on the presuppositions that neither party is completely wrong, that concessions by either party do not necessarily signify weakness in that party and that, while individual goals of the parties may be important, the ultimate achievement of these goals should not occur at the cost of disrupting the organization as a whole. For these reasons

collective bargaining, though not ideal, has hitherto served as the feasible and mutually beneficial method of resolving basic and ongoing conflicts between the parties to the labour relationship”

The collective bargaining process does not only provide rights to labour unions but also to the workers that entrusted the unions for their representation (Kai, 2004). The rights are culminated in the legislation which, in South Africa, was provided for by the Labour Relations Act 12 of 2002 (LRA), the Basic Conditions of Employment Act (BCEA), the Employment Equity Act and the Skills Development Act (SDA) (Grogan, 2009). The LRA, which is the centre-piece of the bargaining processes in South Africa, was established in 1924 as the Industrial Conciliation Act. It was later re-transformed into the labour relations act which was supported by the South African Constitution (Maree, 2011).

The collective bargaining process happens in different phases. Creamer, DiGerlando and Petersen (2006) defined these phases as:

- The preparation phase where preparatory work is done, for example, doing research on past agreements, talking to experienced people and reviewing past data and minutes, and the assignment of roles for the bargaining teams;
- The bargaining phase where initial meetings will set the scene and go through different proposals, caucuses and discussions by stakeholders;
- Conclusion of the agreement phase where voting of agreements is conducted, contracts are approved and de-briefings to all stakeholders outside the ‘negotiation table’ occur;
- Implementation of the agreement phase where agreements are now implemented.

Basson et al. (2000) and Hammed (1970) agree that the phases of bargaining, defined above, are not simple tasks but are in fact complex processes. They often experience managerial resistance on the basis of economic grounds, whereas unions’ rationale was around monetary and non-monetary aspects. It is such complexities that lead unions to decide to negotiate at shop-level, known as decentralised bargaining, or collectively at sectorial, national or industry levels. Because trade unions somehow

hold political discourse and intra-rivalry between unions' members and leaders, the negotiation phases pointed above, must address such complications.

Collective bargaining defined the appropriately set-up conflict resolution methods, which are procedures to follow during the resolution process, and that have created an ease in resolving the situation. Collective bargaining defines the framework in which negotiations and conflict resolution will happen. This framework must be known to all stakeholders prior to negotiations (Creamer, DiGerlando, Glickman, & Petersen, 2006).

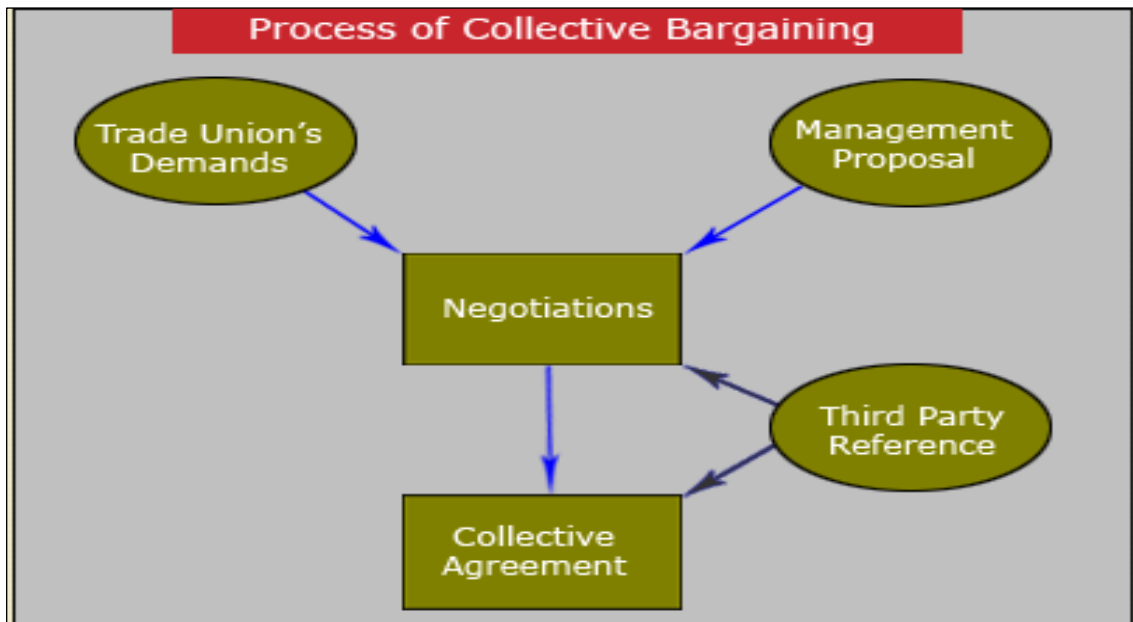
The following form the guidelines of this framework:

- It is a participative method and allows for shared rules-making and collective agreements;
- It encourages a social partnership in the labour relations sphere;
- It enables the generation of trust due to enablement of all parties being heard and participation in the establishment of a solution;
- It enhances the stability of union membership whereby less movement between unions is experienced since collectiveness between the unions is achieved; and
- It improves dialogues that entice the increase in good relations between stakeholders in the workplace. This further enhances the productive relationship during negotiations.

2.3 Collective Bargaining Model

Collective bargaining practices and structures are flexible in that they can easily become adaptive and change as situations change (Hayter, 2010). A variety of enterprises and economic sectors exercise collective bargaining differently based on the situation and economic circumstances. This can be defined in centralisation or decentralisation of their collective bargaining process. Whether the process is negotiated at plant or sectorial level, a set procedural platform is followed and this is stipulated in the South African Labour Relations Act 66 of 1995's Chapter 5.

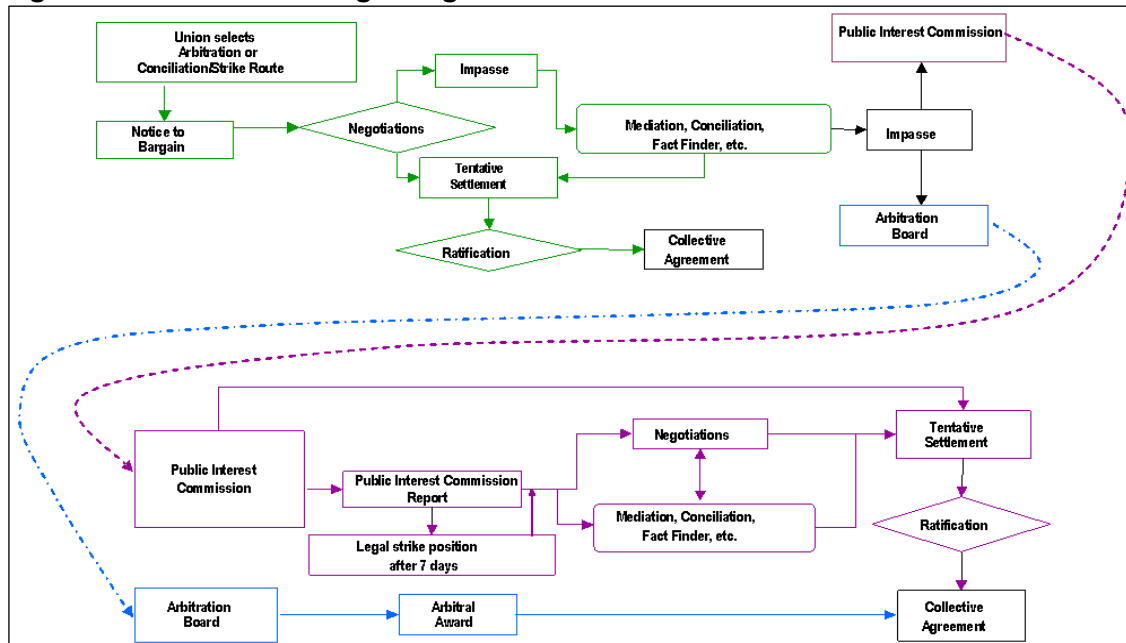
Figure 2.1: Diagrammatic Representation of a Collective Bargaining Process



SOURCE: Adapted from FutureAge, 2014

Centralised collective bargaining is a process whereby bargaining is conducted through the respective social partners including, government, trade union groupings and employer's groupings (Grogan, 2009) as illustrated in figure 2.1 and figure 2.2. Centralised collective bargaining, often called centralisation, has pre-dominated decentralised collective bargaining, called individualism (Grogan, 2009; Maree, 2011). This has been achieved on the basis of ease and the harmonious means of reaching agreements, the reduced costs involved for the negotiations and the ease of implementing decisions. However, centralisation has not favoured smaller enterprises because financial strains on small enterprises are neglected (Prasad, 2009). The latter brings the realm of decentralisation into debate. The centralised collective bargaining process has not only been debated in the developing countries but even in well-established countries such as Australia (Fashoyin, Hayter, & Kochan, 2013).

Figure 2.2: Collective Bargaining Process Flow



SOURCE: Adapted from FutureAge, 2014

Centralisation provides a pooling of resources, claimed Ian Jacobs, Vice President of Labour Relations, AngloGold Ashanti during a preliminary interview (2014). Furthermore, it brings employers and unions together in a sector or even at company central level in a more focused manner. It creates the impression of a greater responsibility on the negotiators but it also allows them to set norms and standards and moves away from disparate conditions of employment and wages – it somehow lends itself to a ‘system’ that can be regulated from the centre.

Decentralised collective bargaining is preferred in established economies (Ross, 2013; de Silva, 1996). This is as a result of high education levels that allow for competitive societies and people to be involved. Due to the strong hold of social partners, South Africa is seeing more and more individualism. Decentralisation involves transference of the regulation-making and authority for both the private and public sectors. This devolution transfers authority from levels of political or hierarchical establishments, to the lower levels of authority (Ferreiro, 2004). Decentralisation results in different advantages in the negotiation process such as:

- The process allows for individualistic treatment of employees which supports the appropriate individual productivity and links them to a wage;

- Hostile relationships between employer and employees are replaced by close-relationships between the two parties. The cut-out of distant industry-level dealings between employers and employees promotes close collaboration between employees. This enhances team building and democratisation of workplaces, thereby optimising direct employee participation in the organisation;
- It promotes global competitiveness of an organisation while maintaining employment;
- Decision-making is made easier by allowing lower managers to facilitate fast decision-making;
- Such decisions can easily be adopted to the competitive environment;
- Promotes autonomy of employees, increases their self-confidence and enhances motivation levels.

Contrary to De Silva (1996) who favoured collective bargaining's ability to stabilise the labour sphere, Ferreiro (2004) view is that decentralisation processes can be viewed to bring about failure in the application of policies uniformly in the sector and this leads to demotivation (Ferreiro, 2004). Due to close-relations, the difference in opinions between employer and unions can easily lead to conflicts. Fisher (2007) further claimed that competition between various business units can be propagated therefore developing hostility between units. Economies of scale are difficult to realise due to business units attempting to be independent, and therefore leading to inefficiencies and head capacities, as determining factors of success.

Historically, the preference for collective bargaining has been due to factors such as the ease of reaching settlements and conflict resolutions through dialogue and consensus where agreements are made collectively (Hameed, 1970; Maree, 2011). Less confrontations and conflicts are involved in the process. The subjective process, whereby the third party makes the decision, is not involved in this bargaining process.

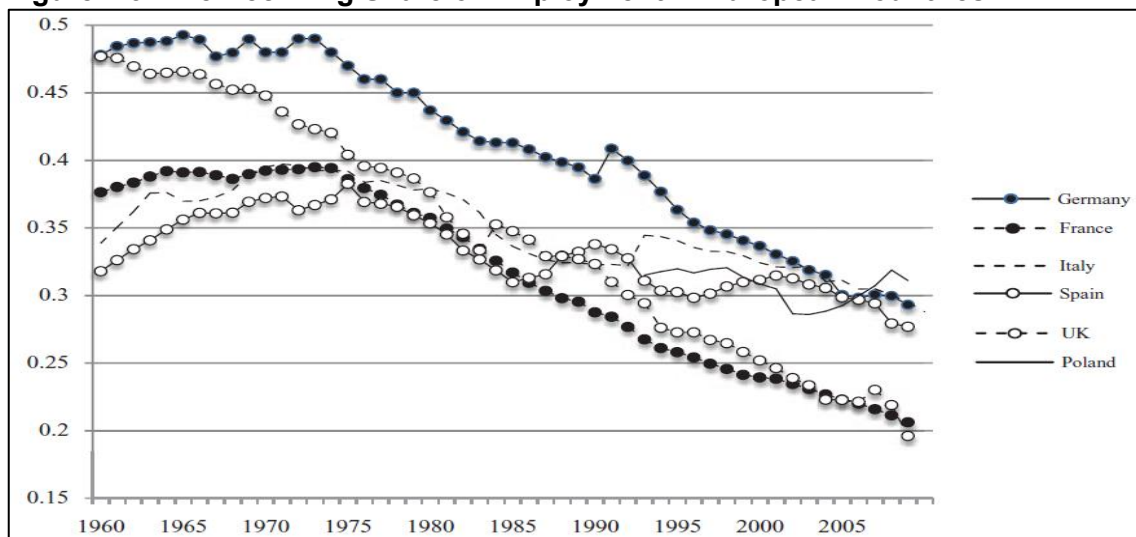
Understanding the effectiveness of a specific collective bargaining process informs the choice of methodology. Applicability of certain theories in the formulation of bargaining methods requires and in-depth understanding of the causal or independent variables in the integral bargaining system. Because the variables inform the decision-process, an explanation of management of labour strikes can be informed. To examine such

causes, theorists such as Steven Somers and Commons examined this phenomenon in the early stages of collective bargaining (Hameed, 1970).

2.4 Global Trends in Collective Bargaining

In most of the European countries where industrialisation is present, bargaining takes place at the national level (Bengt, 2014). Due to strong trade unions and employers, agreements are discussed and concluded at an industrial level. However, shop level agreements, individualism, are still present in some countries such as US but not dominant over collectivism. Because of the decline in employment in the European countries (see figure 2.3), trade unionism is declining (Visser, 2012). The United States mining industry has predominantly utilised the collective process as its traditional exercise (Bronfenbrenner, Friedman, Seeber, Oswald, & Hurd, 2000). Contrary to this, Japanese bargaining has taken place at shop-level and is supported by shop-level trade unions. Most Asian countries have acted against the national-level bargaining and have thus favoured the shop-level bargaining. The preference of the shop-level bargaining process stems from the belief that this process takes into account specific conditions of the organisation and is therefore believed to increase productivity (Bengt, 2014).

Figure 2.3: The Declining Share of Employment in European Countries



SOURCE: Visser (2012)

Nordic countries have since the 1990s, though industrialisation, changed from the collective bargaining process to shop-level bargaining (Hayter, 2010). The decline in

global trade union membership trends accelerated this process as well as the increased competitiveness of the global competitiveness. This competitiveness has sparked the need to negotiate at shop-level with issues such as, flexibility of working hours, removal of narrow job classifications, promotion of decentralised decision making and the new work organisation. The recent freelancing business has also further contributed to the disruption of formal labour management in different sectors.

From the early 1910s until the late 1980s, the bargaining processes in different parts of the world were dominated by collective bargaining (Bacharach & Lawler, 1981). In European countries, after the Second World War, the centralised bargaining process dominated the labour negotiations (Orlando, Lucifora, & Dell'Aringa, 2005). As unionisation became dominant in most workplaces, the need to structure negotiation processes and regulate the decision-making processes became critical. Germany's decline in collective bargaining has been due to the preference of concession negotiations which created less attraction to collective bargaining (Visser, 2012).

Trade unionism in the United States was reported to have declined over the past decades, stemming from a change in the labour market and socio-economic developments (Bronfenbrenner, Friedman, Seeber, Oswald, & Hurd, 2000). Research by scholars in this field realised that new strategic development and the direction of America had also contributed to the change in trade unionism. The global trends on the trade unionism appear to follow a similar trend to the American trend. Bronfenbrenner et al. (2000) stated that unionism in the United States is so devastated that even union leaders define unionism in empirically deleterious terms. He further claimed that the effect had been due to privatisation, globalisation and economic reformation and this is in agreement with the majority of authors and experienced status quo.

This is not contrary to the Australian labour unionism structure. Australia held the highest density of unionisation in the world between 1960 and 1970 (Sutherland & Forsyth, 2006). The 40 percent decline in labour unionisation, in the decades following 1976, proved that the global crisis had an effect on the labour markets and employment numbers. Australian collective bargaining has come under scrutiny in the validation of its worthiness and applicability and this has led to difficulty in the applicability of bargaining systems such as collectivism. Fashoyin et al. (2013) argues that dynamic

change in the labour sector and policies that attempt to support the economic development of states, sometimes undermines the validity of collective bargaining.

Other European countries experienced the decline during the same period, 1960 till 1970, and this has proven the theory of some authors such as Maree (2011) that collectivism was viewed as a contributing factor to the decline. The other scholars controversially stated the opposite, which entailed the link to the following:

- Globalisation that prompted competitiveness;
- Structural changes in labour markets that increased non-standard jobs;
- Individualism promoted by some countries by the introduction of stringent regulations; and
- An increase of labour brokers which decreased the available labour sphere.

Figure 2.4: Global Trade Union Membership Trends Since 1891



SOURCE: Adapted from TiMetric, 2014

Comparative studies conducted by analysts in different parts of the world show that there is a decline in collective bargaining (Hayter, 2010). Maree (2011), Grawitzky (2011) and StatisticsSA (2014) have agreed that there has been a decline in global centralised collective bargaining over the past decades. The global trends have somehow been inconsistent in South Africa whereby up until the recent two years South Africa had preferred a centralised bargaining process, rather than individualism.

While stability is observed in many European countries, inconsistency occurs in other countries such as Uruguay, Germany and Argentina, who see an increase in collectivism. Centralised collective bargaining remains a linchpin in the European countries whereby it reflects the flexibility to economic pressures and change in legal models (Visser, 2005).

De Silva (1996) described the need for alignment of the negotiators in the methodology, particularly with the style of negotiating. In human relations and scientific understanding of human beings – where diversity is observed – conflict resolution is dependent on how much both parties feel satisfied with the outcome. It is imperative to adopt a negotiation platform that satisfies the reality or conflict intended for resolution. However this does not mean there should not be a defined principled approach. The refusal to adopt the right approach on the basis of the change in the global markets, international competitiveness and economic stabilities may be disastrous to nationalities. Strategic considerations of a negotiation process need to take such effects into account.

Chapter 3: Collective Bargaining in South Africa

3.1 Historical Establishment of Collective Bargaining

South Africa's mining industry is categorised by the stringent, inflexible economics of being global commodity price takers, critically dependent on the currency exchange rates for its sales, whilst instantaneously being constrained by rigid and obstinate input costs, mainly the labour costs (Department of Labour, 2014). These economic conditions leave the industry in the narrow straight-jacket of having just one area of core competitive advantage: that of enhancing the productivity of the work team on the face to maximise the production rates. And even in this core arena, there is minimal scope for restructuring without antagonising the hard trade-offs between the quantum of labour supply and work re-organisation for greater throughput in the mining sector. This in its reproach leads to dissatisfactory conditions in the mining working environment and in turn dissatisfied labour and this is not contrary to the international markets that continue to realise similar reproaches (ILO, 2013).

Developing nations such as South Africa adopted collective bargaining systems in the early 1920s (Ndungu, 2012). However such adoptions were predominated by operative processes that limited the participants in the labour unionisation processes. In essence, racial groups such as the Blacks were not permitted to participate in labour unionisations and therefore 'biased' decision-making processes applied. As a result of the discrimination against certain racial groups, bargaining processes favoured the employers or organisations. However, the emergence of black labour trade unions in the 1970s that pressurised change in apartheid states, particularly in South Africa, constituted an essential spin-off in the labour relations sphere (Maree, 2011; Elsley, Mthethwa, & Taal, 2013).

Post the 1994 elections that saw an end to the apartheid era in South Africa, the South African legislature enunciated and strengthened transformation in the workplace. The legislature promoted the formation of organisations such as the Commission for Conciliation Mediation and Arbitration (CCMA), to speed up the reversal of the apartheid legacies and promote transformation in the workplace (Grawitzky, 2011). Included in the transformation of the workplace was the promotion of the negotiation

process for Blacks that were previously deprived of the freedom of unionisation and collective bargaining (Allen, 2003).

The theories behind collective bargaining aim to ascertain the harmonious resolution of conflicts between labour and their representatives and employers (Prasad, 2009). The process of negotiating an agreement was historically biased towards the employers which made them monopolistic and made decisions in their favour (Hameed, 1970). Collective bargaining was adopted in the mining industry to try and eliminate such biases and further deal with the lengthy negotiation process and ungovernable methods of negotiation that create different standards in the same industry.

With the growth of labour unionisation, a need to introduce a set of structural-negotiation platforms that incorporated principles of cooperation, coordination and less confrontation between labour unions and organisations, was apparent (Cohen & Alexopolous, 2003). Not only was there a need to moderate working environments and employment terms and conditions, particularly with labour remuneration, but there was also a need to manage the economic impact that arose from labour disputes. Dealing with labour unrests became paramount for most governments and organisations.

Centralisation is an integral component of the debates around industrial actions, wages negotiations and better living standards in South Africa (Bonner, 2013). Visser (2005) claimed that modes of governance that regulated the relationship between legislature and social partners were the determining factors of collectivism. He further suggests that hybrid situations (collectivism and individualism) are experienced because there is not proper governance in labour relations. This could mean that individuals might swing back-and-forth because of uncertainty within the bargaining process. Furthermore, he suggests that this may be the cause of decline in collectivism in some countries.

The complex South African mining fraternity uses both individualism and collectivism interchangeably, in different areas. For example, Lonmin, which is a member of the Chamber of Mines of South Africa and is involved in a centralised collective bargaining process, decided in 2012 to increase wages of a certain group of employees, under the influence of productivity that was affected by industrial action by a certain group of

workers. In this case, the bargaining process turned out to be individualistic, based on the company's productivity that was affected.

Hayter (2010) emphasised that some countries have changed their legislations to accommodate and promote collectivism. For example, some countries have introduced clauses that favour some flexibility in collective agreements in respect of the sizes of different enterprises. This has not been the case in South Africa especially in the mining sector. In general, while the decline is observed in the collective representation of employees, the numbers covered by collective agreements has stabilised in some countries but declined in SA. This is further supported by Hayter (2010) where she stated that in developing countries where industrial relations are not stable, the proportion of workers engaged or covered by collective agreements, like in South Africa, remains low. Due to the number of reasons as mentioned above, the promotion of individualism has been noticed.

3.1.1 Historical Causes of Labour Strike Actions in South Africa

The partiality for employees to take industrial action over the past decades has been born out of a number of issues. These issues are not only monetary objectives but matters that attempt to rectify and regulate some of the industrial jurisprudence, namely (Ndungu, 2012):

- Wage inequalities between racial groups and the inflexibility of increases in these wages. Figure 3.1 below depicts the gap of the inequality in South Africa. Workers believe that the cost of living is too high and in order to achieve an equitable income share, workers exercised their right to strike;
- Poor living conditions and lack of community upliftment for many workers;
- The lack of better education standards increase the need to fight for equality amongst the mine workers and South African previously disadvantaged societies. This lack of education is supported by the low ranking of South Africa's education level by the World Economic Forum. The World Economic Forum's Global Competitiveness Report indicated that South Africa ranked 132nd out of 144 countries for its primary education and 143rd for the quality of its science and mathematics in 2012;
- Union rivalry, tactics and political influence on bargaining environments and processes;

- Unsatisfied past settlements leading to mistrust between employer and employees; and
- Lack of support by the government in the bargaining process based on the implementation of legislation and compliance monitoring.

Table 3.1: Gini Co-efficient for the South African Population Since 1993

	1993	2000	2008
African	0.54	0.60	0.62
Coloured	0.44	0.53	0.54
Asian/Indian	0.47	0.51	0.61
White	0.43	0.47	0.50
Rural	0.58	0.62	0.56
Urban	0.61	0.64	0.67
Overall	0.66	0.68	0.70

Source: Maree, 2011

3.1.2 Migrancy Legacy and its Contribution to Strike Actions

Post the apartheid era the mining companies, in response to demands from the trade unions to deliver decent home ownership to mineworkers, sought to address the worst features of SA's apartheid based migrancy legacy, defined by the single-men's hostels. One way in which this was done was through introduction of family accommodation for employees who resided near the mine (Crush, 1992). This initiative took the form of a home ownership bond subsidy offered to employees to purchase a family unit. To ensure equity in the distribution of employee benefits amongst all strata of employees, the mining houses sought to address the needs of the migrant employees by offering an equivalent benefit in the form of a living out allowance (Laburn-Peart, 1992).

Crush (1992) continued in his research and stated that migrant workers utilised this allowance to build informal dwellings, for example shacks, to establish second households. This meant that the migrants took on secondary homes, which was typically characterised by the acquisition of an "*inyatsi*" meaning the second or third wife who live and care for the migrant worker. Allen (2003) agreed to the fact that the socio-economic conditions in South Africa have added significant pressure on the wage

of the workers. This is not different for the migrant workers. Notwithstanding annualised real wage adjustments, the migrants became significantly worse off in respect of the actual amount of remittances to their rural homes post-apartheid. This meant that the migrant workers had to collectively fight for their wages and better living conditions.

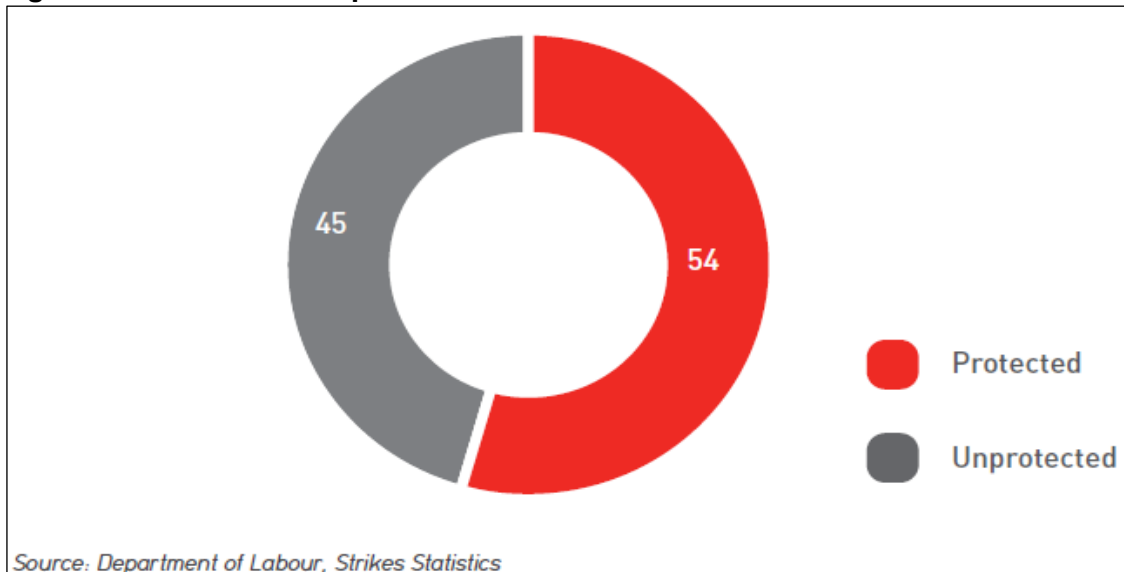
3.1.3 Some of the Current Causes of Strikes in South Africa

There is no doubt that the gross poverty and inequality in SA, which is shown in the Gini co-efficient (see table 3.1 above), provides some social and economic context to the subtle expectations of wage increases. There is equally no doubt that in this specific situation of inequality and poverty, the visible display of insensitive accumulation of wealth by union and political leadership fuels the fire of greater expectations of rewards for the workers. Claims by unions and workers that the visible spending by empowered black entrepreneurs and their colleagues in the director class, has deeply infuriated the normal mineworker and fuelled their demands to secure a more reasonable slice of the economic profits (IOLNews, 2014).

The vast inequity in remuneration structuring, where CEO's and owners earn ratios of thousands of times more than the entry level miner, is not only morally untenable, but also deeply insensitive to the conditions under which miners labour every day (Pickworth, 2014). In conjunction with this setting of poverty and inequity, the harsh reality of the migrant labour system has further inspired migrant workers, including local residents, to go to the forefront of the strike wave (Allen, 2003). Though protected strikes supersede the unprotected strikes in South Africa, as labour loses trust in the labour law systems, an increase in the number of unprotected strikes is observed (Semono, 2012) (see figure 3.1 below).

All of these socio-economic features provide a contextual kindling box to fuel the fire of the mine workers anger. But it does not explain why the institutions and processes of collective bargaining have failed so dismally to pro-actively address the continued prolonged frequent mining strikes. The labour strikes continue to appear to have detrimental effects on the society, however bargaining processes have failed (Malan, 2014).

Figure 3.1: Number of Unprotected Strikes in South Africa in 2012



Source: DOL , 2012

3.2 Collective Bargaining Stakeholders

Collective bargaining involves different dimensions and stakeholders. The stakeholders include employers and their representatives, and employees, largely represented by organised trade unions that act as bargaining agents. The dimensions include the process of negotiating in ethical-morality, and permissive socio-economic and legal labour unrests (Donahue, Lewicki, & Robert, 2000).

Post the 1994 elections that saw an end to the apartheid era, the legislature enunciated the formation of the Commission for Conciliation Mediation and Arbitration (CCMA). This organisation was formed as a strategic dispute resolution medium (Bendix, 2010). The other primary aims of the CCMA were to speed up the reversal of the apartheid legacies and promote transformation of workplaces (Grawitzky, 2011). The transformation of workplaces also involved promoting the process of negotiations for Blacks that were previously deprived of freedom of unionisation and collective bargaining. In addition, the legislature, through the tripartite partnership between government, employees and employers, formed other dispute resolution bodies such as the National Development and Labour Council (NEDLAC) and Sector Education Training Authority (Seta) who would act as advisors to the resolution where human capital developments are concerned (Bendix, 2010). These structures ensure parties

use and comply with collective bargaining principles and policies (Elsley, Mthethwa, & Taal, 2013).

The establishment of the Labour Relations Act (LRA) revolutionised the establishment of industrial bargaining councils, later called Statutory Bargaining Councils, at the sectoral level, at the approval of the Minister of Labour (Bendix, 2010). South Africa has 47 bargaining councils (Department of Labour, 2014) that service the private and public sectors. The public sector is the portion of the society that is controlled by the state and local government *vis-à-vis* the private sector that encompasses all for-profit organisations that are not state-owned nor operated by the government (Lyons, Duxbury, & Higgins, 2006). However this number is decreasing as councils amalgamate (Snyman, 2013). These bargaining councils remain the cornerstone of the collective bargaining process. The LRA further provides the trade unions, as employee representatives, the statutory rights to a social dialogue and protected strikes during conflict resolutions. Workplace forums meant to promote joint problem-solving at plant level are also in the fore front of the LRA objectives (Grogan, 2009).

Workplace forums enable the resolution of some conflicts before they reach councils in the sectoral levels. Bargaining Councils are set up to assist with the provision of a fair platform for negotiations, satisfy the demand for flexibility between employers and employees and their respective representatives and to ensure representation of parties in the council for the purpose of agreements (Godfrey, Maree, Du Toit, & Theron, 2010). They further provide procedures by which employers can be granted permission and exempted from agreements mostly during financial hardships (DOL, Labour Relations Amendment Act, No 12 of 2002, 2002). In spite of registered councils, the mining and automobile sectors do not have councils but utilise the established non-statutory collective bargaining agreements. Table 3.2 depicts the labour bargaining councils that service the private and public sectors.

Table 3.2: The Bargaining Councils in South Africa for the Period 1983 – 2010

Year	Number of councils	Total registered employees covered
1983	104	1 171 724
1992	87	735 533
1995	80	823 823
2004	48	2 358 012
2009	46*	-
2010	41**	-

Source: Department of Labour, 2012

The South African mining industry comprises five major labour representative unions (Department of Labour, 2014) that are involved in the bargaining processes, namely:

- National Union of Mineworkers (NUM);
- Association of Mineworkers and Construction Union (AMCU);
- United Association of South Africa (UASA);
- South African Equity Workers' Association (SAEWA); and
- Solidarity.

In spite of being a highly unionised sector in South Africa, the mining sector does not have a bargaining council (Maree, 2011). Negotiations in the mining sector takes place under the auspices of the representative bodies for employers, employees and government, where needed. The bargaining councils act as a central point of negotiations, particularly for manufacturing and services sectors. Councils therefore promote the use of collective bargaining processes. However the use of such bargaining councils is in decline (Godfrey, Maree, Du Toit, & Theron, 2010).

3.3 Union Densities in South Africa and the Effect in the Bargaining Process

Ndungu (2012) postulates that South African trade unions have grown militant and continue to be more defensive while they become marginalised. The political influence and globalisation of labour markets has negatively impacted the union membership in South Africa (Tshoedi & Mosoetsa, 2013). Tshoedi et al (2013) continue that the adoption of neo-liberal policies has become inevitable with the presence of globalisation. Trade union power has been eroded by the lack of membership which is

crucial in the collective bargaining process. The liberalisation of labour and the new democracy has brought new opportunities for labour, such as individual rights that allow for sole negotiation by individuals (Ndungu, 2012). Banerjee et al. (2008), agreed to the fact that the new democratic South Africa continues to see a downward trend in labour as a result of the increase in unemployment and this has an effect on the numbers for the trade unions.

The membership and modus operandi of these labour unions has changed over time. Table 3.3 depicts the changes in membership of these labour unions from 1996 to 2005. AMCU's density had increased to over 50000 in 2014 since its formulation in 1998 (Hlahla, 2014). Evident in the table is the domination of NUM over the other trade unions for the period, particularly in the gold mining sector. The decrease in union membership was further observed by Du Toit (2007) where he elucidated one of the reasons for this decline to be the globalisation that increases inequality in power between transnational employers.

Table 3.3: Union Membership per Union, in Percentage of Employed Labour, for the period 1996 – 2005 (Excludes the Introduction of AMCU)

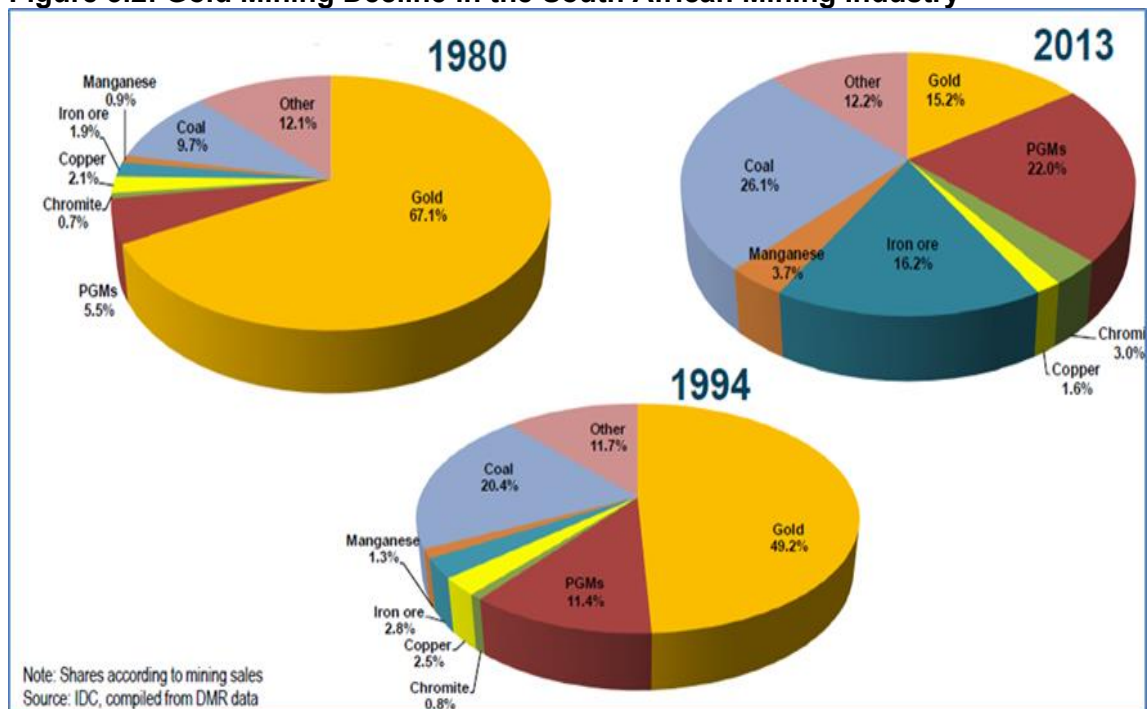
YEAR	NUM		UASA		Solidarity	
	Coal	Gold	Coal	Gold	Coal	Gold
1996	60,8	61,2	15,8	7,6	1,3	1,7
1997	65,8	62,5	17,6	8,0	1,9	2,0
1998	66,0	61,2	16,1	8,0	1,9	1,9
2001	62,2	66,2	14,9	9,0	3,9	2,1
2003	61,6	68,1	13,1	10,2	5,4	2,0
2004	65,6	71,4	12,4	9,0	6,5	2,3
2005	66,2	74,2	11,7	8,4	7,0	2,3

SOURCE: Maree (2011)

The sharp decline in the gold mining sector population and its contribution to the GDP, evident in figure 3.2 and figure 3.3 below, has been a factor in the decline of trade union membership (Hlahla, 2014; Moodie, 2006). Likewise, Moodie (2006) cited comments by Von Holdt (2003) that addressed the impact of the gold mining sector decline and mentioned that this phenomenon has caused a decline in the trade unions' membership. The increase in the platinum mining sector did not necessarily mean

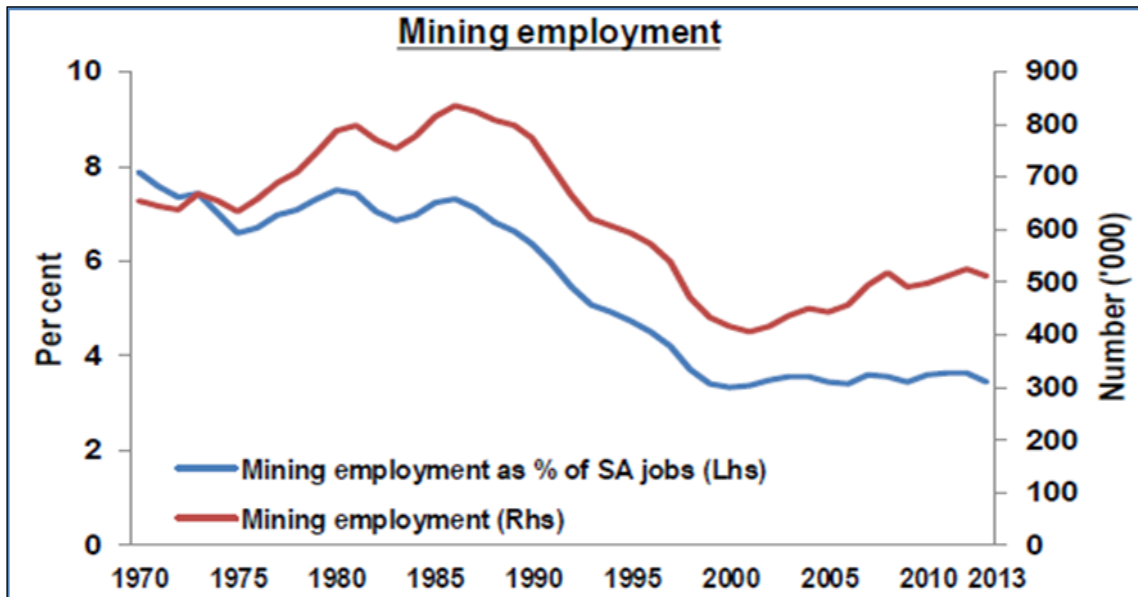
quick absorption of labour and growth of the trade union, however, a step-by-step growth was required. Roughly a third of workers in the platinum industry is employed through the labour contractors and this in itself reduces the numbers of employees that participate fully in the bargaining processes (Bezuidenhout & Buhlungu, 2010). Stable unions such as NUM suffered a bigger blow in the gold mining sector where the trade union had dominated over the past decades. Newly formed AMCU, with the labour migration to the platinum sector, started to challenge NUM's existence in the mining sector.

Figure 3.2: Gold Mining Decline in the South African Mining Industry



Source: IDC (2014)

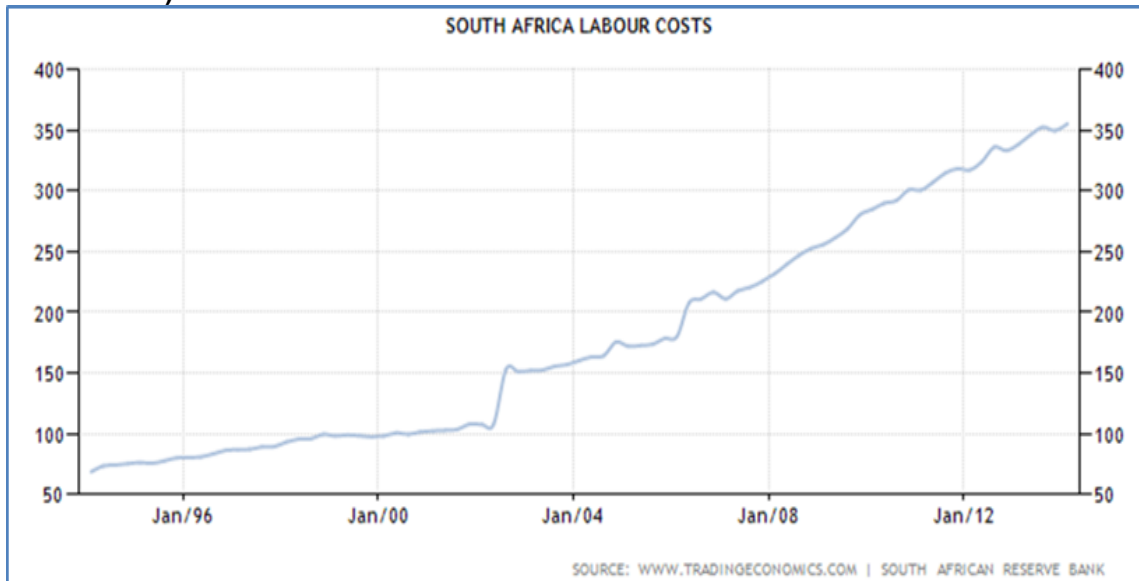
Figure 3.3: Mining Employment Trends for South Africa for the Period 1970 – 2013



Source: IDC (2014)

Labour costs in South Africa have continued to increase as is reflected in figure 3.4 below (Department of Labour, 2014). Companies have opted to decrease the cost of production through the implementation of innovative technological production methods. Cost driven production strategies of mining companies have promoted the use of technology in the mechanisation of mining activities. The economic crisis experienced in the world has also fuelled the focus of mechanisation for the mines. The Platinum sector has adopted this strategy aggressively. These technology implementations, that increase productivity, have resulted in a smaller labour requirement for the production line which is disproportional to the anticipated growth levels expected by trade unions (de Jager, de Jager, Welgemoed, Bessant, & Francis, 2004). Ndungu (2012) associates the reduction of labour in the sector with the implementation of technology which subsequently affected the trade union membership in the sector.

Figure 3.4: Incremental Labour Cost in South Africa Since 1996 (Expressed in Billion ZAR)



SOURCE: Trading Economics (2014)

Furthermore, Maree (2011) stated that the emergence of a less repressive regime under democracy in South Africa has introduced less demand for the unions in the workspaces. The lack of union membership was attributed to the lack of interest to join trade unions and this in itself meant less collective numbers to promote collective bargaining struggles (Du Toit, 2007). De Silva (1996) supported the fact that the decline in union density inflicts the negative and noticeable decrease in collective power thus affects collective bargaining.

3.4 The Role of Disruptive Organisations in the Collective Bargaining Process

Furthermore, the South Africa business environment is sensitive given the apartheid-era experiences whereby racial segregation and discrimination was experienced. Maintenance of peace within the South African society is an unspoken principle and determines the disturbance or alterations of the negotiation policies. The notion not to disturb unionism and densities of unions appear to be part of the 'resistance to peace instability' in the SA labour sector (Tshoamedi & Mosoetsa, 2013). Because of such a notion, political influences have become involved in the labour management sphere in South Africa. This phenomenon therefore allows for political influence into matters that primarily concern labour and thus compromise the well-being of the labour management process. Due to the fact that political influences become embedded in the labour sphere, processes such as collective bargaining are negatively affected since the trade union *modus operandi* gets compromised and political influence takes over.

Political affiliations of trade unions and political parties cannot be separated (Ramaphosa, 2014). Historically, the formation of trade unions was primarily to sort out matters that were closely affiliated to politics such as racial deprivation in working places, lack of rights to trade unions and wage discrimination (Ndungu, 2012). This affiliation between political parties and trade unions was not only sparked by political issues but also the fact that historically, the employers were affiliated to the government (Allen, 2003). The lack of trade-offs and equilibrium platform between trade unions and employers has not been achieved to-date, thus the affiliation is still intact. This has therefore culminated into trade unions leaders aspiring to be political figures that ultimately cloud the trade unions strategic intents (Mbheki, 2012). In spite of the trade union association, leaders of trade unions tend to be associated with political parties and therefore compromise the work of the trade union. Collective bargaining processes are then compromised as new leaders in the trade union keep being changed as the rest run for political parties (Mbheki, 2012).

It appears that the trade unions in SA are more affiliated with political parties, thus presenting the trade unions an upper hand when negotiating with employers. For example, NUM (National Union of Mineworkers), the COSATU (Congress of South

African Trade Unions) an affiliated trade union, has somehow an affiliation with ANC (African National Congress) due to the Alliance between COSATU and ANC (Ramaphosa, 2014; Buhlungu, Brookes, & Wood , 2007). The newly formed Economic Freedom Fighters (EFF) has an unofficial association with the Association of Mineworkers and the Construction Union (AMCU). Even though NUM still believes in harmonious collectivism, it can be argued that the stronghold upheld by the trade union based on political influence somehow suppresses fair collectivism from the employers' side because the bargaining process gets clouded by conflict of interests and intimidation. This above mentioned condition or state of bargaining can be named the 'unbalanced-powered bargaining' which is the term the author develops on the basis of the understanding of the subject.

The government that is a custodian of labour law brings in the divide in trade union membership and particularly the collective bargaining process (Twala, 2012). The recent South African "Marikana Massacre" that associated political figures to the negotiation process, whereby political figures own part of the private business and utilise their power to influence the negotiation process, proves the political involvement of parties in the negotiation sphere of the sector (Patel, 2013). This disruptive behaviour to the negotiation process sparked debates and is still under the process of investigation in South Africa. The trade union leadership has lost trust of workers because workers somehow feel their trade union leadership is somehow affiliated to the government and employers (Ndungu, 2012). The mistrust between trade unions and employees therefore compromises the negotiation in good faith because trade unions will set the demands high to gain the trust of workers. Where good faith is lost, the collective bargaining process is compromised (Brand, 2010).

Smaller and inexperienced trade unions bring disruption into the negotiation process (Hart & Craven, 2013). Brand (2010) further agrees to the fact that the poor quality of bargaining processes, due to inexperience, has contributed to the disruption of the bargaining process. Antagonistic negotiations, as a result of inexperience, have given rise to violence and frequent strikes. This was the case in the past where the capacity of unions in bargaining was relatively low (Ramaphosa, 2014). The lack of understanding and knowledge of the bargaining processes has supported the prolonged strike actions that South Africa has experienced and this is agreed to by authors such as Donahue et al. (2000) who associates falsification of reasons for

bargaining leads to failure of bargaining engagements. The lack of skills and inexperience of trade unions further propagates the prolonged and unjustly strike actions, which in turn have a negative effect on the bargaining process.

3.5 The Role of Trade Union Sophistication and the Impact in the Collective Bargaining Process

Hogg (2001) introduced the concept of social identity theory of leadership where he acclaimed that leaders depersonalised their images in order to be accepted by the society. He further explicated that some leaders would reconstruct the organisations image in order to be accepted through photocopying the current accepted social trends (Hogg, 2001). This in itself sharpens the leader's followership. Arguably, the past regime and modus operandi may appear less attractive to the modern society. South Africa's past regime that was under the auspices of the apartheid regime would not be sound to the modern democratic South Africa. This theory is applicable to the union leadership and the sophistication.

Due to affordability that comes with the increase in wages for the shaft stewardship are their election, the increase in the leadership sophistication is observed as some the shaft stewards move out from compounds into the suburbs (Bezuidenhout & Buhlungu, 2010). This does not sit well with the labour as their trade union leadership gets viewed to be an outcast. Bezuidenhout and Buhlungu (2010) stated that the association of trade unions' leadership to BEE (Black Economic Empowerment) and SMMEs (Small, Medium and Micro Enterprises), after their elections, discredits their association with the labour because of the controversial stigma around the BEE strategies in South Africa. The BEE strategy is viewed as a political strategy meant for political figures thus the trade union association was viewed as such, in bad light. This reproach is negative for the trade union's growth because labour becomes less attracted to the trade union. Donahue et al. (2000) challenged the ethnicity of trade unions where they act for their own benefit *vis-a-vis* satisfying the needs of the workers. This has an ethical bearing.

The introduction of insurance companies such as Scorpion and Legal Wise in the mining sphere has promoted less use of collective fighting. Scorpion is used by the employees as their legal advisor and some trade union leaders in the mines are used

by such companies as representatives (Bezuidenhout & Buhlungu, 2010). Arguably, is the fact that the union is meant to be the custodian of legal matters, within the work space and somewhat takes a back foot and allows such insurance companies to take over. In essence the trade unions turn to be less effective and less utilised by the employees. The cost involved in acquiring services of such insurance companies might be relatively higher. However the promotion and marketing strategy of trade unions appears to fail to surpass those of the insurance companies (Castree, 2007).

Jelle (2012) argued that the experienced success of the sectoral negotiations have negatively affected national negotiations. This then influences the trade union density at large, since the applicability of a trade union at national level is shuttered by the new preference.

3.6 The Role of Leadership and Negotiators and the Impact in the Collective Bargaining Process

Traditional negotiation processes had emphasised the need to settle at the lowest level of settlement to ensure lowest cost of the agreement. This is indifferent from bargainers in selling roles where settlements are concluded at the lowest outcome and this is the *modus operandi* of negotiations. White and Neale (1994) agreed with the fact that negotiators attempt to settle at the lowest level of settlement. Bargaining in the wage negotiation setting might somewhat be different from this notion. Bargaining, as much as it is a negotiation process, some members of a negotiation process may fail the process as they become selfish and do not want to compromise (White & Neale, 1994). It is imperative that negotiators understand the principle of compromise for the negotiation process to succeed (Lyons, Duxbury, & Higgins, 2006).

Young (1991) claimed that the lack of leadership within the trade unions and the inclination of leaders towards material benefits and competitive positions had contributed to the regression of strategic intent for the unions. Due to competition for higher positions, infighting that propagates fragmentation of the trade unions, has been observed. Because of such lack of direction and political influence, organisational development has lacked, and thus, some trade unions have become less attractive to the labour force. The resultant effect is observed in the decline of membership thereof.

Leadership plays a critical role in the management of strikes. Failure to understand this role will fail to enhance the success of a bargaining processes and ensure resolutions in the institutional arrangements in international society (Young, 1991). Because the negotiation process involves several stakeholders, directing the negotiation process to reach an amicable solution may prove to be tedious. This does not only require a leadership character that can be arrogant and decisive but also a leadership that can be directional and motivates. It is imperative that the leader, during the negotiations, be able to realise the delays in the process that may lead the discussion into a strike action before it reaches that zone.

Trade unions leadership is critical in the negotiation process and determines how labour can be influenced and driven. This is not always the case, as labour at times determines the strike zone, for example, Lonmin employees that lost trust in the trade union leaders and led the strike themselves, in 2012, in South Africa (Twala, 2012). Visser (2012) agrees that where labour loses trust in their leadership, labour will have less interest in the party and steam up their own strike actions.

Chapter 4: Research Propositions

4.1 Introduction

The extent to which the bargaining process is interlinked with the involvement of different bargaining stakeholders, particularly the employers and employee representatives who must reach a harmonious agreement, is extensively interrogated in the literature. Due to the need to revolutionise the mining labour strikes management, the success of an appropriate and sustainable bargaining initiative needs to be established and it should eliminate any re-occurrences of unnecessary failures in the process.

The purpose of this research is to explore and derive a possible bargaining model that will assist in the management of currently frequent strikes in the South African mining industry in an effort to reduce the impact on business and economy. This study interrogates the management process of the frequently experienced mining labour strikes and the impact on the businesses and economy.

4.2 Research Propositions

This research study looks at the appropriate bargaining process that fits the modern South African mining industry. It seeks to establish whether the centralisation of collective bargaining is still an appropriate process for negotiation purposes. Furthermore, the study comparatively looks at the decentralisation process and its appropriateness in the South African mining context. To establish this, the research study attempts to answer these propositions:

1. How does a selected choice of negotiation process influence the management of strikes?
2. What are the roles of negotiators in the management of frequent mining labour strikes?
3. What is the role of leadership in the management of strikes and what is the appropriate leadership characteristics required for such conflicts management?
4. To what extent does sophistication of unions and societies influence the frequency of strikes and how can it be managed?

5. How do external disruptive organisations influence the frequency of strikes and how can they be managed?

Chapter 5: Research Methodology

5.1 Introduction

This chapter outlines the approach that was adopted in this research project and informs the reason for this study methodology. The dedicated focus will be on the methodology used and define the units of analysis. The population size in-line with the sampling method and the research tools used during the data collection and analysis process will be defined. Furthermore, the limitations to this research will be highlighted in this chapter.

5.2 Objectives of the Research

This research was intended to establish the appropriate bargaining process that will reduce the frequency of prolonged strikes in the South African mining industry. The study reviews the appropriate engagement facilitation process that will be used for the identified circumstance particularly through determination of whether decentralisation or centralisation of collective bargaining is more appropriate for the management of labour unrest, thereby reducing the strikes.

The literature review outlined in chapter 2 demonstrated the need to interrogate the current status quo in the bargaining process in the mining industry.

5.3 Rationale for the Methodology

The overall study is a qualitative study where the Delphi technique was used to obtain the data (Sumsion, 1998; Wocke & Leeds, 2009). The qualitative method allows for the researcher to understand the subject studied by the research and eliminate the researcher's bias because different opinions are generated from similar questions being answered by different respondents (Holloway, 1997). Because this is an in-depth study that requires views of leaders in negotiation processes and negotiators in the mining industry, the study could not be prescriptive. In order to establish the strength of the appropriate bargaining process and the management of frequent strikes

in the mining sector, the research is therefore qualitative. The Delphi technique is a simple and efficient way of establishing data and combining the knowledge of experts and their abilities in the field of study (Wocke & Leeds, 2009).

The Delphi technique was used by Rand Corporation in the 1950s (Sumsion, 1998). The technique involved asking experts specific questions until consensus is reached in different rounds. The different rounds enable the quantification of the established meaning from the responses of field experts. The technique allows for the exploratory part of the research, different judgments of the acquired information that enables the establishment of agreement from the information, correlation of information and education of respondents from the gathered information and consistent matters within the topic (Wocke & Leeds, 2009).

5.4 Research Process

A snapshot of the current situation, as described by Zikmund (2003) whereby data is collected in a specific point in time, was established through a series of organised comprehensive interviews conducted through questionnaires. As a qualitative research under the Delphi methodology, this research was administered through different rounds of questionnaires that were informed by a literature review and discussions with experts in the labour management field. The Delphi technique required that different sets of questionnaire interviews be conducted (Sumsion, 1998). The first tier questionnaire, which consisted of open-ended questions, was generated, followed by two other sets of tier questionnaires that were informed by the initial exploratory questionnaire responses.

A preliminary study was conducted through two in-depth semi-structured 1-hour verbal interviews. These interviews were meant to inform the research objectives and give an overview of the study. Following the Delphi technique, the exploratory method, which was conducted through a tier 1 questionnaire, allowed for a deeper understanding of assumptions and explored the viability and acceptance of the subject matter experts of the literature reviewed. The second round, the tier 2 questionnaire, generated from the responses to the tier 1 before concluding the process with a tier 3 questionnaire to narrow the issues and gain consensus.

Different rounds of questionnaires gave an added advantage in that the researcher could observe the given opinions of respondents and generate a consensus. Non-verbal communication could not be evaluated, except for the first two in-depth 1 hour interviews, as this subject can be highly emotive and further the validation of verbal language and tones of responses was not analysed.

5.4.1 Population

The population selected for the research was people that predominantly worked within the South African mining industry. The research respondents were experienced in the bargaining field, largely in the mining industry in South Africa. The negotiators came from different mining companies that operate in different spheres of bargaining. The negotiators were exposed to both centralised and decentralised bargaining processes. Holloway (1997) mentioned that qualitative research does depend on the academic understanding of the subject matter and in this regard that some respondents selected had to have a formal academic qualification on the labour management field.

5.4.2 Sampling

The population for this research was selected on the basis of non-probability judgemental sampling. In the non-probability sampling technique, the unit of the sample was selected on the basis of personal judgment (Zikmund, 2003). Judgmental sampling was utilised in this study as the respondents targeted were of a specific profile (Saunders & Lewis, 2012). The researcher aligned the research with Saunders and Lewis' (2012) description of judgemental sampling, particularly in the selection of respondents who are able to clearly answer the research questions and meet the research objectives. Knowledgeable and experienced negotiators in the mining industry's bargaining process were selected from employers, employees and trade union organisations that are closely related to or participated in the bargaining processes. To gain more insight into propensities of strikes some members of unions formed part of the sample. The opinions of the experts provided high knowledge and proficiency on the subject matter being researched (William C. , 2007).

5.4.3 Data Collection and Analysis

The approach used to collect the data in the tier 1 round was semi-structured but specific open-ended questions were used. This tier 1 data collected was collated and viewed to be exploratory. This was based on the fact that semi structured open-ended questions allow for the deviation from structured questions and provide broader and more elaborate responses and encourage participants to share their knowledge on the research case (Saunders & Lewis, 2012). Furthermore, the Delphi technique supports the nature of the semi-structured questions because it allows the researcher to establish common themes and ask probing questions that encourages the reduction of biases on the answers.

Even though the Delphi technique requires that leading question be asked on the first round of questions, the interview questionnaire, though exploratory, asked leading questions. However the participant was asked to elaborate further (Sumsion, 1998; Wocke & Leeds, 2009).

Data was collected through questionnaires and notes were generated from these questionnaires which were constructed in English. Themes formed from the respondents were then analysed and the next round of questionnaire was formulated. The themes were then divided into sub-topics that aligned with the research propositions. The Delphi technique used in this research study requires that similar respondents be interviewed in the entire questionnaire rounds through-out the research to ensure consistency (William & Webb, 1994).

5.4.3.1 Tier 1 Questionnaire

This was the first round questionnaire that comprised of exploratory questions that were informed by the literature and informal discussions held with subject experts during the preliminary stages of the research. The purpose of the tier 1 questionnaire was to establish, in an exploratory manner, how the collective bargaining processes influences the frequency of strikes (see Appendix A for the tier 1 questionnaire). Through the analysis of the open-ended questions from the questionnaire, the themes were established and a tier 2 questionnaire generated. The collated responses from tier 1 were put on a spreadsheet and summarised into various themes. The themes established informed the next set of questions for the tier 2 questionnaire round. A total of 11 respondents participated in the tier 1 questionnaire.

5.4.3.2 Tier 2 Questionnaire

Stemming from the analysis of tier 1, a second round questionnaire was developed. The second round questionnaire (tier 2 in Appendix A) narrowed down the issues to understand the propositions based on the questions asked and attempted to establish consensus. The questionnaire consisted of 27 questions with ranking statements required from the respondents. A total 10 respondents, from the initial 11 participants who had participated in the tier 1 questionnaire, participated in this round.

The data gathered from the tier 2 responses was analysed and a set of themes were stencilled. A new questionnaire was generated for the third round set of questions. The data analysis was conducted using a frequency analysis of the data to derive the consensus.

The questionnaires that were collated were subject to editing whereby omissions were checked and legitimacy and consistency was checked. Three questionnaires with one question omitted were received and the researcher requested that the respondent give the response over the phone. The tier 1 questionnaires required the typing of the responses. The typed responses were checked for consistency of spelling and the validity of the responses to eliminate any inconsistency. All the responses were found to be valid and readable.

5.4.3.3 Tier 3 Questionnaire

Consensus and disagreements established in the tier 2 responses informed the tier 3 questionnaire (see Appendix A). The issues identified in this round were developed as possible solutions to the reduction and management of frequent strikes. The ten respondents, which participated in this round, were required to respond to the three-point Likert-scale questions designed around the perceived solutions to the reduction of strikes. The Likert-scale is defined as a method of ascribing quantitative value to qualitative data to enable statistical analysis (Albaum, 1997). Lee, Jones, Mineyama and Zhang (2002) have accredited the use of Likert scales in their researches. In this assignment, the numerical value is assigned to the potential choice and a mean figure to the responses are computed and evaluated. The three-point ranking scale defined

the likelihood that the intervention will assist in the prevention of frequent strikes (Lee, Jones, Mineyama, & Zhang, 2002).

Based on the frequency analysis, the possible interventions were analysed autonomously. The other tiers responses were considered in the conclusion of the data analysis for each possible intervention to the research case. Each intervention was then weighted and ranked accordingly and results were analysed. Results are discussed in the following chapters of this research.

5.4.4 Validation of Data and Research

The analysis of data and results required that the researcher eliminate errors in the analysis in order for the research to add value to the body of knowledge (Saunders & Lewis, 2012). Furthermore Saunders and Lewis stated that there are regular errors, which threaten the validity of data, faced during data collection and analysis and vary from subject errors and biases from the researcher or analyst of results. Theories by Ormod (2001) and Miles and Huberman (1994) have suggested different phenomenon on how to qualify and test data. Theories suggest different steps in the validation as follows:

- Objectivity whereby the researcher's opinions are overlooked over the research subject;
- Reliability where by consistency needs to be maintained;
- Credibility and authenticity whereby no modification of the events and subject is present;
- External validation which explains the transferability of the findings to other contexts, and
- Applicability which explains the level of enhancement of subject understanding and improvement of circumstances.

The validation, therefore, of the data collected was conducted under these phases. The validation process was concluded through an independent third-party coder to enable proper triangulation and guard against subject and researcher biases.

Chapter 6: Presentation of Results

This chapter outlines the findings of the research undertaken with the primary aim of establishing the appropriate bargaining process to be used in the modern South African mining industry, which will reduce the length and frequency of strikes in the industry. More specifically, the research sought to:

- Investigate how a selected choice of negotiation processes influences the management of strikes;
- Identify the roles of negotiators in the management of frequent mining labour strikes;
- Identify the role of leadership in the management of strikes and explore the appropriate leadership characteristics required for such conflict management;
- Explore the extent to which sophistication of unions and societies influence the frequency of strikes and investigate how they can it be managed; and
- Examine how external disruptive organisations influence the frequency of strikes and investigate how they can it be managed.

Data was collected from expert mining-field negotiators, including organised labour union representatives, through a three phase process termed the Delphi technique. This involves an iterative process of questioning respondents, starting with a form of qualitative questioning to gain some meaning around the issues at hand and following on with two rounds of closed questions to quantify the meaning and reach consensus. Prior to this however, 2 in-depth semi-structured interviews were conducted as a preliminary investigation for the research.

6.1 The Respondents

The preliminary in-depth interviews were done with two expert mining-field negotiators. The number of respondents, also expert mining-field negotiators, differed from round one to round two as one respondent dropped out between these rounds of questioning. There were no further drop outs between rounds. The number of respondents at each phase is reflected in table 6.1 below.

Table 6.1: Number of Respondents who Participated

Round of Questioning	Number of Respondents Participating
Preliminary in-depth interviews	2
Round one questionnaire (qualitative data collection)	11
Round two questionnaire (Likert scale questions)	10
Round three questionnaire (Likert scale questions)	10

Of the 11 respondents, ten were males and one was females (figure 6.1). The respondents had extensive academic qualifications and bargaining involvement during their career paths (table 6.2). Their levels of experience in the bargaining field ranged from 4 years to 33 years, with the average length of experience being 17 years (figure 6.2). Two respondents refused to provide these details.

Figure 6.1: Number of Respondents by Gender

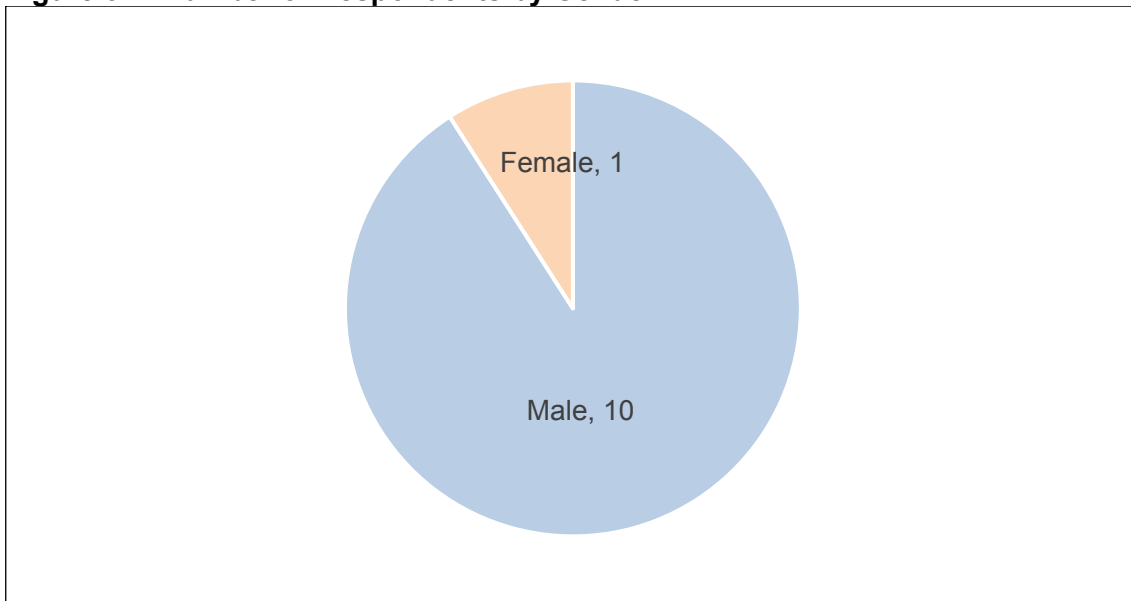
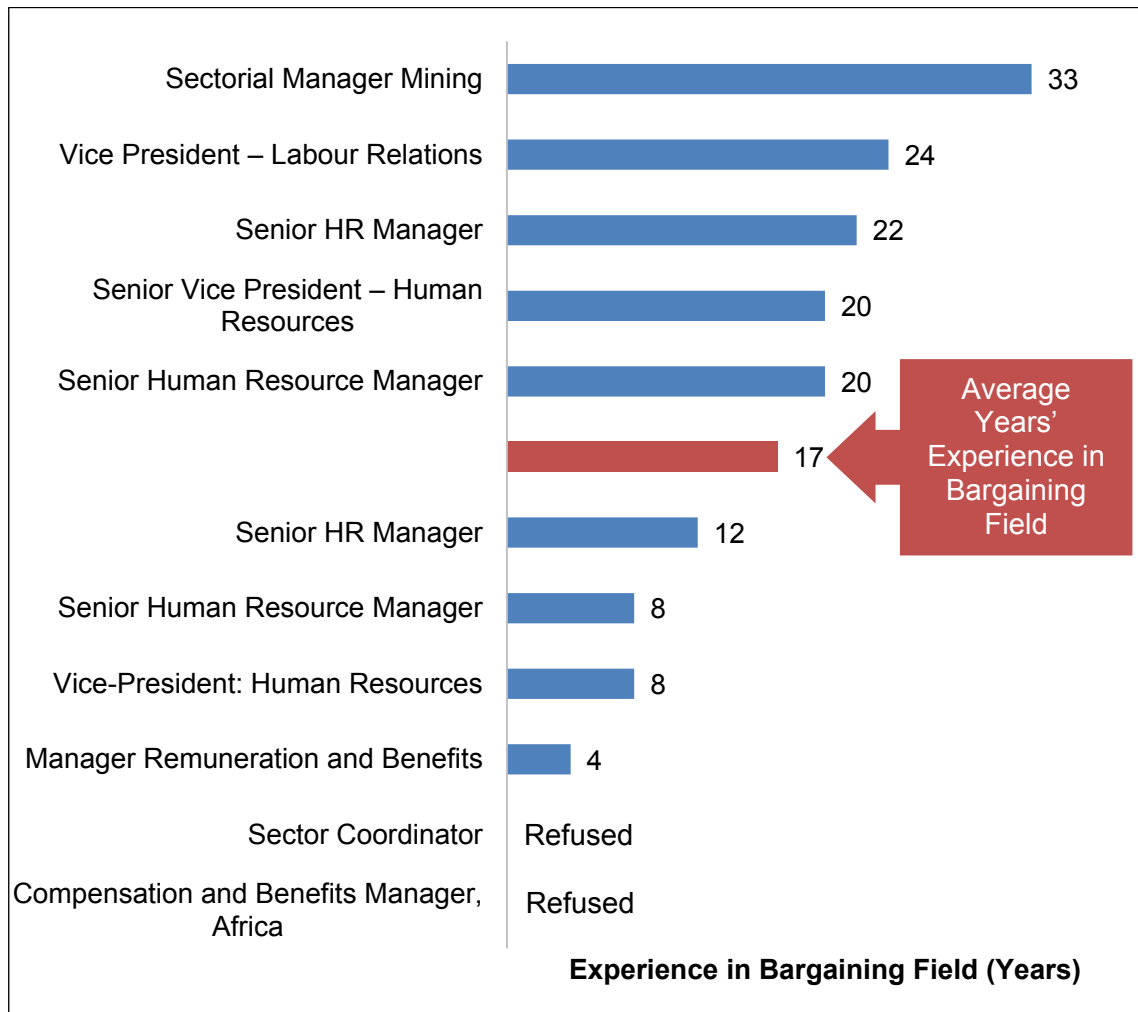


Table 6.2: Extensive Qualifications and Bargaining Involvement of Respondents

Qualifications	Bargaining Involvement
<ul style="list-style-type: none"> • BA (Wits) • PDM(Wits) • MBA (University of Pretoria, GIBS) • MA • SoC Sc • BA Hons-HRD • MDP (UNISA) x 2 • BA Hons Anthropology • Advanced Diploma in HR • Diploma in Labour Relations (UNISA) • Certificate in Labour Relations (University of Stellenbosch) • Bachelor of Economics • Global Remuneration Professional • Certificate in Labour Law • BA Hons: Industrial Psychology • Post Graduate Diploma in Management • BTech (Human Resource Management) • B Proc (Wits) • Diploma Industrial Relations • Advanced Certificate Labour Relations • Executive Management Programme (University of Birmingham) • Prince of Wales Sustainability Programme (Cambridge University) • Diploma in Teaching • Executive Development Programmes from BIBS, UCT and Oxford • Post Graduate Diploma – Labour Law 	<ul style="list-style-type: none"> • Standard union negotiations • Employer negotiations • 4 rounds of central industrial wage negotiations • Mine level negotiations with unions • Wage negotiations in platinum sector with AMCU • Resolution of wage disputes • Operational bargaining at mine level • Negotiations of AGA's employment equity strategies • Involved in the bargaining process with wage negotiations • Lead Trade Union negotiator on 7 x Industrial Councils (now Bargaining Councils) • Part of Public Sector negotiations team in the Public Service Coordinating Bargaining Council • Lead negotiator in Bargaining Council • Negotiator in the Gold Sector Central Collective Bargaining Forum • Involved in a tasked team negotiations process about optimising the mutilation of Mining Assets • Member of the Nedlac Section 77 Committee dealing with Socio Economic disputes and dispute resolution • Served on the National Manpower Commission • Involved in various sensitive collective bargaining negotiations to unlock industry negotiations and disputes • Led a team negotiating the cessation of hostilities and strike action resulting from the Platinum/ Marikana impasse • Mine based matters as General Manger • Negotiations in the Local Authorities in the Metropoles • Wage negotiations on the National level • Negotiations on the Mining Charter and establishment of Bargaining Councils

Figure 6.2: Respondents Designation and Experience in Bargaining Field



6.2 Research Proposition 1

How does a selected choice of negotiation process influence the management of strikes?

The preliminary research highlighted the fact that strikes in the mining industry in South Africa are common and traditionally have been caused by socio-economic factors and levels of income where mine workers are put under pressure as they are not able to adequately finance their living requirements and social needs. However, strike action has also had a political agenda, initially to 'create un-governability and emancipate workers' but more recently to push political party agenda's. In addition, where there was previously only one major union, another player has now entered the market as a

competitor in the labour field and is currently trying to prove itself so as to occupy that field. The comments below reflect what the respondents stated:

“Well in my view and also when analysing the whole situation actually, most of the strike actions in SA are caused by socio economic factors you know, where people are not necessarily meeting the proper living conditions as a result of per se not getting a living wage as they put it,but recently we actually observed that these strikes are not necessarily based on wage issues, however they are now external factors that are also influencing them – like people being affiliated to different political parties, pushing their political agendas. And also with the new players within the labour sphere, trying to occupy the space which was previously occupied by one particular union - which was the majority for many years” (Respondent A)

“You look at strikes in its infancy in South Africa where we have really got to a climate around the late 80’s, mid to late 80’s, strikes in that time was driven politically to create un-governability and at the same time to almost emancipate workers. So you had unions that were at the time seen to be the vanguard of poor workers. Part of it was to address conditions of employment, to address levels of income, hence the living wage campaigns at the time, these were driven by strikes certainly” (Respondent B)

With the influx of political parties trying to push their own agenda’s and a new union in the labour market, the length of strikes in the mining industry is being prolonged. Respondent B stated: *“Strikes normally should be 3-5 days. In your 5 day it really reaches a peak but unfortunately in South Africa – especially in the strike prone mining industry and with any strike, you have a risk of the strike being quite prolonged”*. The effects of a prolonged strike are enormous for the mines, the workers, the communities and the country. Therefore an effective negotiation process is vital.

This research proposition was aimed at establishing how a selected choice of negotiation processes influences the management of strikes. Respondent 7 in the round one questioning said: *“It could be argued that should employees embark on a strike, the collective bargaining process has already failed. This however is a simplistic view”*. Therefore a deeper understanding was sought from the respondents in round

two, to explore their perceptions on how collective bargaining can curb the frequency of prolonged strikes.

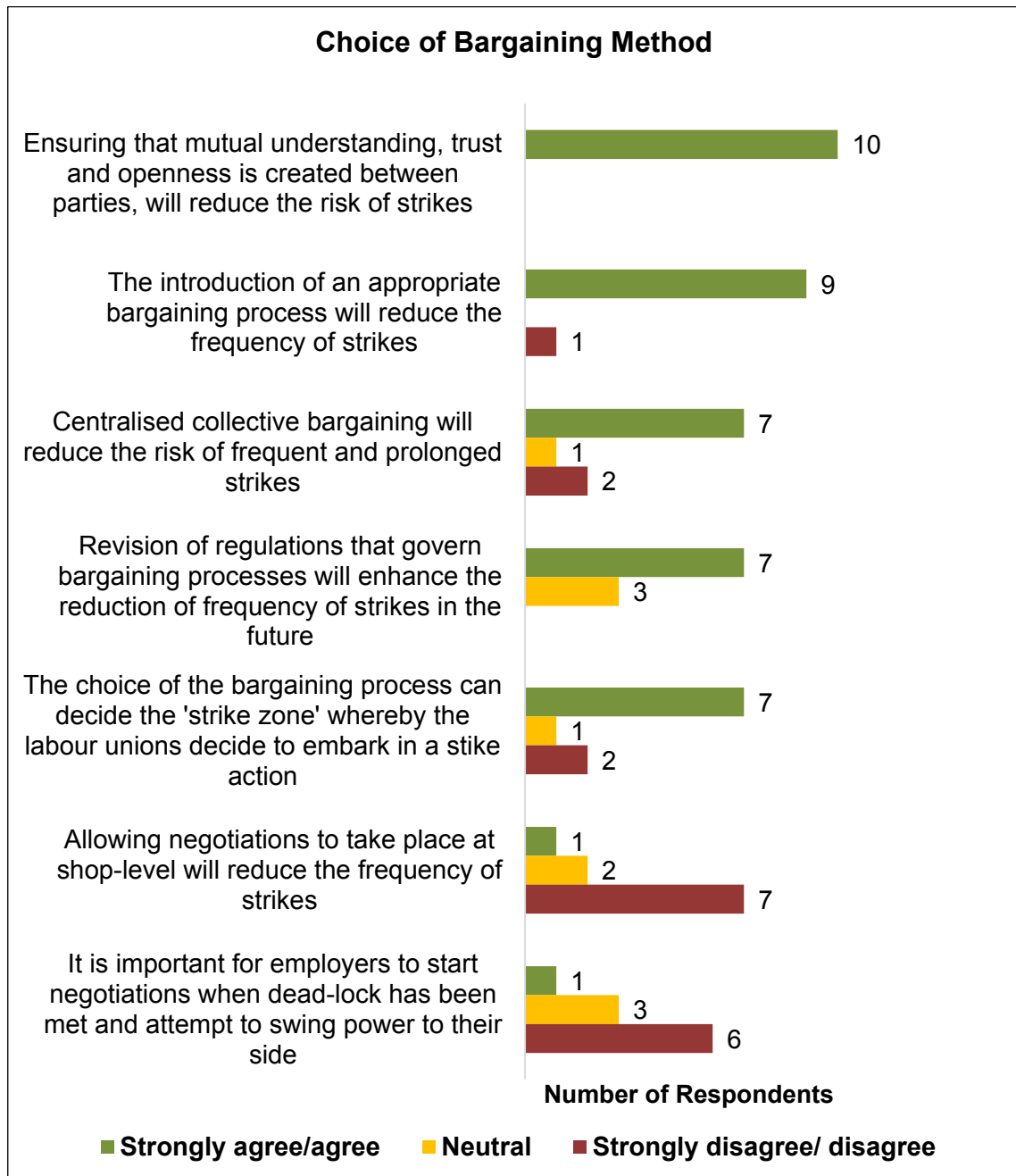
An analysis of round one responses produced seven questions to be explored further in round two, in an attempt to narrow down the issues raised in round one and reach consensus. Following on from round two, a list of nine statements was developed, to further clarify the importance of various issues that were raised in the previous rounds of questioning. The ten respondents were requested to select a response from the options, “more likely”, “likely” or “not likely”, to each of these statements. These responses were then weighted and ranked (as per the methodology outlined in chapter 5), with their weighted score out of a maximum possible score of 30.

The seven questions asked in round two required the respondents to answer the questions using a 5-point Likert Scale of “strongly agree”, “agree”, “neutral”, “disagree” or “strongly disagree”. The responses were collated from the 10 respondents who completed the questionnaire, and were analysed by means of a frequency analysis. In order to compare positive versus negative responses, the “strongly agree” and “agree” frequencies were combined, and the “strongly disagree” and “disagree” frequencies were combined. The frequencies of the “neutral” responses were not combined with anything else. Figure 6.3 below reflects the frequency distribution of positive versus negative, and neutral answers to all seven statements and table 6.4 shows the more detailed frequency for each of the Likert scale options.

There was unanimous consensus that ‘ensuring a mutual understanding, trust and openness is created between parties, will reduce the risk of strikes’. Nine of the 10 respondents also agreed that ‘the introduction of an appropriate bargaining process will reduce the frequency of strikes’. The remaining respondent did not agree with this statement and in round one he argued, *“There is no guarantee or research that has established [how collective bargaining can curb the frequency of prolonged strikes], so I am not sure that Collective Bargaining does curb the frequency”* (Respondent 2). However, this respondent did acknowledge that, *“...if the question is about Collective Bargaining versus no process, then there is some validity based on the fact that the parties have engaged on a matter of mutual interest”*. It can be said then that all the respondents acknowledged that there needs to be some form of communication or bargaining between the employer and employee parties and that Collective Bargaining

assumes that this engagement is based on the parties discussing a matter of mutual interest.

Figure 6.3: Round Two Agreement on Choice of Bargaining Method



Collective bargaining is a tool that can assist in the management of strikes as it allows for an industry wide uniformity of conditions of employment. It opens the door for all parties to have an understanding of the issues at hand through meaningful engagement. For this engagement to be meaningful, the parties need to be transparent

and provide honest and open communication with each other. The following verbatim comments reflect this view:

“Collective bargaining is an important process in the working place because it enables parties to engage meaningfully and openly” (Respondent 10)

“Collective bargaining helps to ensure uniformity of conditions of employment which brings about some common understanding and appreciation of issues. Industry or sector issues that have similar impact can be addressed by a collective” (Respondent 6)

Table 6.3: Round Two Detailed Responses on Choice of Bargaining Method

Choice of Bargaining Method	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
	Number of Responses (n=10)				
Ensuring that mutual understanding, trust and openness is created between parties will reduce the risk of strikes	5	5	0	0	0
The introduction of an appropriate bargaining process will reduce the frequency of strikes	4	5	0	1	0
Centralised collective bargaining will reduce any risk of frequent and prolonged strikes	1	6	1	2	0
Revision of regulations that govern bargaining processes will enhance the reduction of frequency of strikes in the future	4	3	3	0	0
The choice of the bargaining process can decide the 'strike zone' whereby the labour unions decide to embark in a strike action	3	4	1	1	1
Allowing negotiations to take place at shop-level will reduce the frequency of strikes	0	1	2	3	4
It is important for employers to start negotiations when dead-lock has been met and attempt to swing power to their side	1	0	3	2	4

Communication from the employer to the employees and unions should be regular and should serve the purpose of sharing information about the company, including profits and losses as well as challenges that the company may be facing. In addition, the vision of the company needs to be relayed, including the future prospects for the company. The employees and employee unions should ensure that they provide true and relevant information to the employees of their issues. They should not approach the employer with unreasonable demands in the hope that they will receive a lesser settlement as this just results in conflict. If the issues are understood before negotiations take place, both parties can work on resolving the concerns in a fair compromise, where the parties from both sides can leave the negotiations feeling that they have gained something beneficial.

“When parties understand the real issues upfront.... This will enable them to strive for a win-win situation, and where necessary, parties will be able to accommodate each other’s differences and reach a compromise. Prolonged strikes will be avoided if such spirit prevails” (Respondent 5)

“On the other hand management offer must be honest towards company’s affordability on the demands presented to them. Companies should on regular basis share information regarding their profits and losses to employees and unions. This information should also include challenges and future prospects that companies are facing” (Respondent 10)

When addressing the topic of centralised collective bargaining as a tool for reducing the risk of frequent and prolonged strikes, two respondents did not agree and one respondent was neutral. The other seven respondents all agreed that this was an appropriate negotiating forum. Respondent 9 explained: *“Collective bargaining has the ability to ensure that prolonged strikes are prevented by means of a collective agreement amongst many employers.... The bigger the collective the less likely is that one union may play off one employer against the other”*. This is because *“...centralization provides a pooling of resources – it brings employers and unions together in a sector / or even at company central level in a more focused manner”* (Respondent 3).

Since centralised collective bargaining involves a bigger collective of parties, the economic risk for both parties is bigger. As such, the parties will want to ensure that the right issues are dealt with and that the settlement is fair for both parties. There is more likelihood that smaller issues will not cloud the process and that the parties will be more open to negotiation. However, the risk is that “...centralised bargaining is a far more difficult process as the employer caucus need to get the same mandates and stick together. In many instances some companies are held back by others” (Respondent 9).

“It creates the impression of a greater responsibility on the negotiators...and moves away from disparate conditions of employment and wages” (Respondent 3)

Centralization creates a bigger collective. This makes the process bigger and the economical demand or risk for both parties to ensure a fair settlement for both employees and employers” (Respondent 9)

A centralised collective bargaining process typically brings together employers and unions from the industry as a whole or from different sectors in a company. The parties in the bargaining therefore need to be cognisant of the fact that they are in great power over influencing the industry or company norms and standardising the conditions of employment. As such, the parties need to remain focused and develop rapport for successful outcomes.

“Centralised collective bargaining can reduce strikes because parties are able to standardise conditions of employment within the same industry.... Also it creates a stable environment because the agreement reached will be for the industry and if it is a multilayer agreement then it will apply across the industry” (Respondent 10)

“Centralisation provides a pooling of resources – it brings employers and unions together in a sector / or even at company central level in a more focused manner” (Respondent 3)

All bargaining mechanisms come with both spoken and unspoken laws. Firstly, “ensuring the rule of law” (Respondent 1) is vital. No negotiations should be allowed to take place without consideration for the law of South Africa. Individual negotiations or negotiating groups may also place rules of engagement on the table. These can include things such as peace clauses where no strike action can take place during negotiations, or guidelines for unions on unacceptable striking practises such as the destruction of property. In addition, the parties to the negotiations should have clear mandates and should understand the process. Seven of the 10 respondents were in agreement that the revision of regulations that govern bargaining processes will enhance the reduction of frequency of strikes in the future. The other three respondents were neutral.

“In some instances agreement is reached with a peace clause where unions undertake not to embark on strike action during the currency of an agreement – where the dispute might be on a matter contained in such agreement. The aforementioned examples are indicative of a process that curb and / or prevent strike action” (Respondent 3)

“In order to curb the frequency and duration of strike action, clear guidelines need to be established for union engagement, including matters relating to issues on which the union can go on strike for; the payment of wages, treatment of illegal actions (destruction of equipment and plant); process issues etc.... Recognition agreements should be in place for any representative union, and the unions must be held to account on the basis of the signed agreement” (Respondent 4)

“...ensure that the delegates are all conversant with the process” (Respondent 5)

It was agreed by seven of the 10 respondents that the choice of bargaining process can decide the 'strike zone' whereby the labour unions decide to embark in a strike action. Respondent 3 describes clearly how this is true and explains how the converse is also true, where agreements can be reached more easily if the masses are close by:

“The close proximity with the business and the ‘masses’ lends itself for a quick response by workers - unions are able to communicate better – and can in an efficient way bring pressure to bear.... On the other hand decentralize bargaining can also focus attention to the peculiar need and conditions of the business (not drowned in decentralised bargaining) – the business realities shows more prominently. If the prognosis seems dire it can militate against strike action – if there is upside it provides fuel for continuing strike action”

In narrowing down the findings from round two questioning on this proposition, round three questioning included the statements, **“Ensuring that organisations transparency through employer-trade union dialogue will enhance the understanding of the business’ economic position”** and **“The openness of organisations before and during the negotiations will reduce the need to satisfy unrealistic demands”**. These statements were ranked 1 and 5, with weighted scores of 27 and 24, respectively (See table 6.4).

Table 6.4: Round Three Responses Weighted and Ranked

Round Three Statements – Likelihood Scale Responses	Rank Place	Weighted Responses
Ensuring that organisations transparency through employer-trade union dialogue will enhance the understanding of the business’ economic position	1	27
Enhancing capacity building of trade unions leadership within the bargaining sphere will promote reduction of frequent strikes	2	26
Roles and Responsibilities clarity in the bargaining process will improve the labour dispute resolution process	3	26
Increasing the power of the Labour Relations Act in the restriction of lengths of labour strikes will reduce the frequency of strikes	4	24
The openness of organisations before and during the negotiations will reduce the need to satisfy unrealistic demands	5	24
Holding employers responsible for failure to satisfy the agreed-upon demands will eliminate the need to re-work decisions and strike actions	6	24

Holding labour unions responsible for the frequency of strikes, where agreements are in place, will eliminate strikes	7	23
Applying stricter rules in the society and political party involvements in the labour negotiations will eliminate frequency of strikes	8	20
Introduction of administrative fines for parties involved in the bargaining processes will eliminate frequency of strike actions	9	16

6.3 Research Proposition 2

What are the roles of negotiators in the management of frequent mining labour strikes?

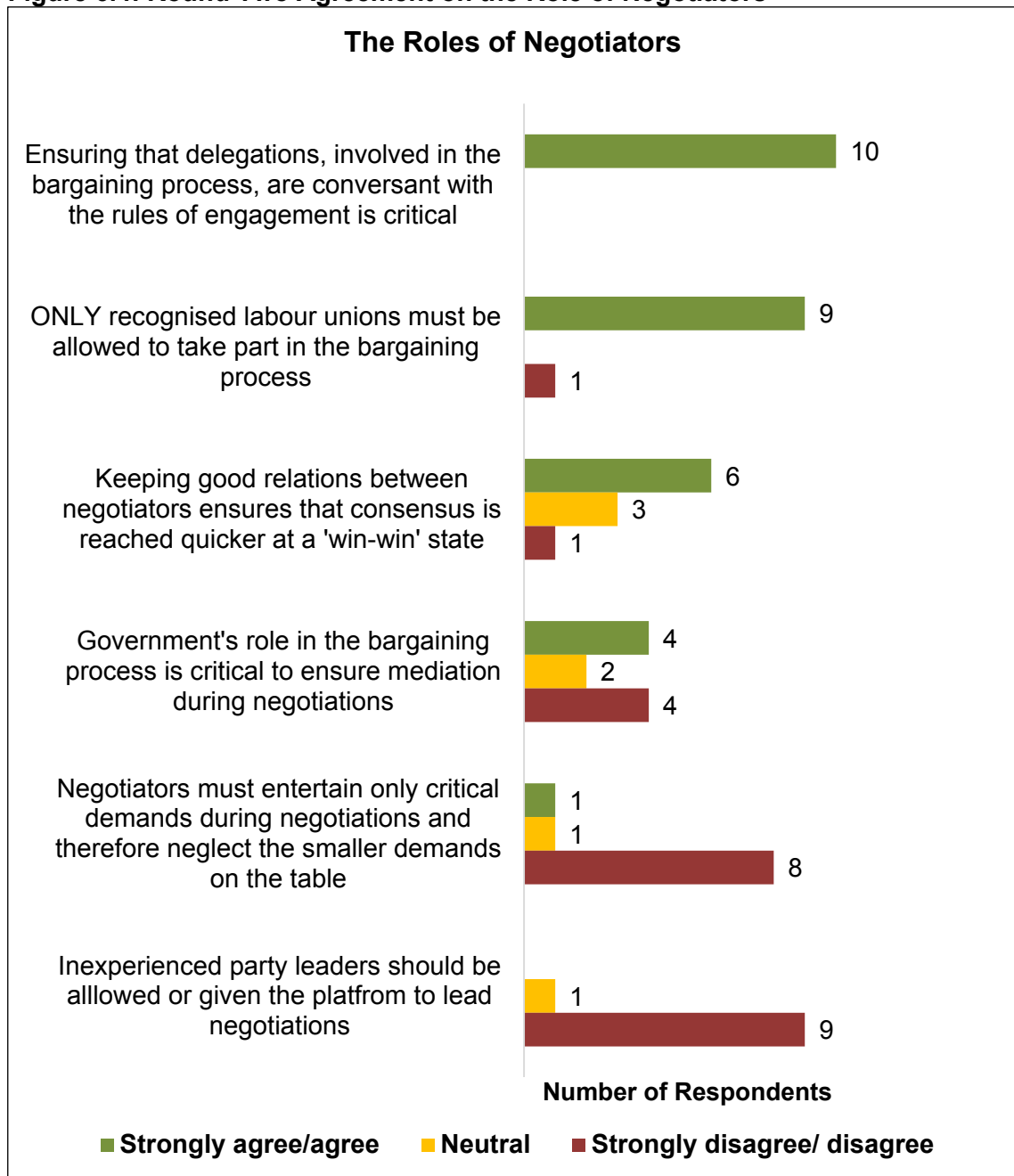
The research proposition was intended to deliberate the roles of negotiators in the management of frequent labour strikes. Six questions were asked in round two using the same 5-point Likert Scale and analysis technique as that used for proposition one. Figure 6.4 below reflects the frequency distribution of positive versus negative, and neutral answers to all six statements and table 6.5 shows the more detailed frequency for each of the Likert scale options.

Various stakeholders can be included in the bargaining process but some are more seen to be more important by the respondents and some are seen to hinder the process. Generally the employer and employee parties were considered to be vital to negotiations. This included leaders from the employer side who are mandated to negotiate and union leaders or organised labour leaders. Respondent 3 said, “...*the bargaining process will only be effective if those around the table represent the various constituencies. Unions and the management team are the main protagonists*”. Other parties that could be involved, as mentioned by the respondents, included:

- Mediators;
- The State;
- The Department of Labour and the Commission for Conciliation, Mediation and Arbitration (CCMA);
- Arbitration parties in various formats;
- Independent facilitators;

- The Trade Federation;
- Labour court;
- Respected and neutral third parties, for example, mediators, economists, *et cetera*;
- Regulators, for example, the Department of Mineral Resources (DMR);and
- Community leaders.

Figure 6.4: Round Two Agreement on the Role of Negotiators



The parties to the collective bargaining process have an important role to play in the management of frequent mining labour strikes. Firstly, negotiators, including trade union leaders and mine management should have a full understanding and be conversant with the rules of engagement. This was agreed by all 10 respondents. In addition, nine out of 10 respondents indicated that inexperienced party leaders should not be allowed or given the platform to lead negotiations. Respondent 3 indicated that

“...in the process a level of maturity is critical for the parties to understand their differing interests”. One respondent was neutral on this.

“The real leaders – union and organisational. Those who understand the issues and are thoroughly briefed and mandated to speak on behalf of their constituencies” (Respondent 8)

Table 6.5: Round Two Detailed Responses on the Roles of Negotiators

The Roles of Negotiators	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
	Number of Responses (n=10)				
Ensuring that delegations, involved in the bargaining process, are conversant with the rules of engagement is critical	8	2	0	0	0
ONLY recognised labour unions must be allowed to take part in the bargaining process	4	5	0	1	0
Keeping good relations between negotiators ensures that consensus is reached quicker at a 'win-win' state	3	3	3	1	0
Government's role in the bargaining process is critical to ensure mediation during negotiations	1	3	2	3	1
Negotiators must entertain only critical demands during negotiations and therefore neglect the smaller demands on the table	0	1	1	6	2
Inexperienced party leaders should be allowed or given the platform to lead negotiations	0	0	1	5	4

Nine of the 10 respondents indicated that only recognised labour unions should be entertained and there was mixed reactions about including the State in negotiations with four respondents agreeing that the State's role is critical, four disagreeing and two remaining neutral. According to respondent 5, *“...employers and organized labour bargain together and the state is always playing a mediating role to ensure that these parties are closer to each other. Where settlements are not reached, the state*

intervenes by means of arbitration, voluntary or forced". On the other hand, respondent 8 argues, "What should the role of government be? Personally I am not sure. In many industries there needs to be government involvement but with the current ANC / COSATU alliance, this tends to have the impression of being government siding with the trade unions which is not the role they should be playing but rather a neutral position".

Besides the high agreement that it is critical to ensure that delegations, involved in the bargaining process, are conversant with the rules of engagement, six of the ten respondents also agreed that keeping good relations between negotiators ensures that consensus is reached quicker at a 'win-win' state. These good relations are built on "...transparency, integrity, mutual respect and good faith... Commitment to the greater good of the business or the industry is also important" (Respondent 3).

"The type of leadership that sits around the table to negotiate on the issues in dispute may have an important impact on the prolonged strike. The credibility of the leadership is crucial in finding a common ground" (Respondent 6)

The majority of respondents (8 out of 10) disagreed that negotiators must entertain only critical demands during negotiations and therefore neglect the smaller demands on the table. It is important that the negotiators "...understand the diamonds of the other party" (Respondent 7). However, respondent 9 cautions that "...negotiators need to ensure the smaller demands does not derail the process and need to find ways to put those into a different process".

In narrowing down the findings from round two questioning on this proposition, round three questioning included the statement, "**Roles and responsibilities clarity in the bargaining process will improve the labour dispute resolution process**". This statements were ranked 3rd, with a weighted score of 26 (See table 6.6).

Table 6.6: Round Three Responses Weighted and Ranked

Round Three Statements – Likelihood Scale Responses	Rank Place	Weighted Responses
Ensuring that organisations transparency through employer-trade union dialogue will enhance the understanding of the business' economic position	1	27
Enhancing capacity building of trade unions leadership within the bargaining sphere will promote reduction of frequent strikes	2	26
Roles and responsibilities clarity in the bargaining process will improve the labour dispute resolution process	3	26
Increasing the power of the Labour Relations Act in the restriction of lengths of labour strikes will reduce the frequency of strikes	4	24
The openness of organisations before and during the negotiations will reduce the need to satisfy unrealistic demands	5	24
Holding employers responsible for failure to satisfy the agreed-upon demands will eliminate the need to re-work decisions and strike actions	6	24
Holding labour unions responsible for the frequency of strikes, where agreements are in place, will eliminate strikes	7	23
Applying stricter rules in the society and political party involvements in the labour negotiations will eliminate frequency of strikes	8	20
Introduction of administrative fines for parties involved in the bargaining processes will eliminate frequency of strike actions	9	16

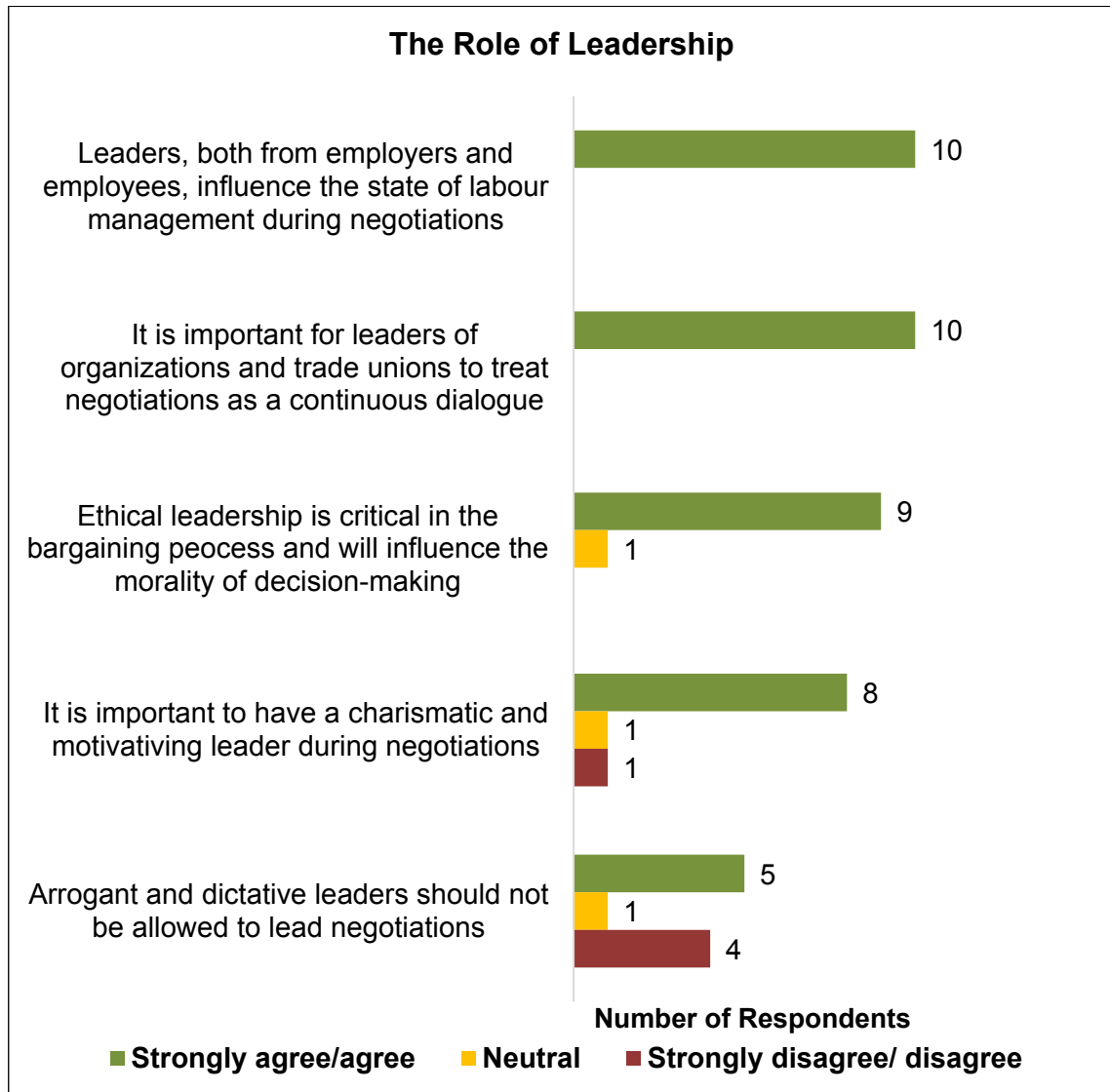
6.4 Research Proposition 3

What is the role of leadership in the management of strikes and what is the appropriate leadership characteristics required for such conflicts management?

The research proposition aimed to identify the role of leadership in the management of strikes and understand the appropriate leadership characteristics required for this form of conflict management. Round two included five, 5-point Likert Scale questions, to

address this proposition. Frequency analysis was again conducted and the findings outlined in figure 6.5 and in more detail in table 6.7 below.

Figure 6.5: Round Two Agreement on the Role of Leadership



Solid leadership from both the employer and employee sides of the bargaining process were seen to play a critical and prominent role in negotiations. It was considered to be “a key aspect” (Respondent 9) for successful negotiations as these leaders need to manage the process from initiation through to final agreement.

“Leadership plays a critical role in the negotiation process. And this applies on all sides” (Respondent 4)

“Leadership plays a prominent role in the negotiation process.... Leadership plays a prominent role in the negotiation process, particularly on the side of organized labour” (Respondent 5)

“Solid leadership of both sides to the collective bargaining process” (Respondent 8)

Table 6.7: Round Two Detailed Responses on the Roles of Leadership

The Role of Leadership	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
	Number of Responses (n=10)				
Leaders, both from employers and employees, influence the state of labour management during negotiations	6	4	0	0	0
It is important for leaders of organisations and trade unions to treat negotiations as a continuous dialogue	5	5	0	0	0
Ethical leadership is critical in the bargaining process and will influence the morality of decision-making	8	1	1	0	0
It is important to have a charismatic and motivating leader during negotiations	3	5	1	1	0
Arrogant and dictative leaders should not be allowed to lead negotiations	1	4	1	1	3

There was unanimous agreement from the respondents that leaders, both from the employers and employees, influence the state of labour management during negotiations. Respondent 4 stated that *“...decisive leadership from the employer is required to ensure responses to union demands are accurate, fair and transparent (and can be defended if challenged)”* and *“...decisive leadership from the union is required to ensure that the demands are fair and affordable for the employer”*. Basically, the leaders need to be strong enough to carry their party through the negotiation phase and reach a reasonable settlement. Respondent 5 expressed that *“...it is important to*

have a balanced team embarking on the process of bargaining in order to yield positive results and/or mitigated results before a strike action takes place”.

Strong leadership involves communication, understanding and searching for solutions. This can only be achieved if there is a continual exchange of ideas between the parties, or as respondent 8 pointed out, “...*it should not be seen as an annual activity, but rather as an ongoing dialogue*”. All the respondents were in agreement stressing that communication is key but in order to be relevant, the leader “*plays an important role in understanding the other side and searching for solutions*” (Respondent 6).

It is the role of the leaders to initially develop a “*sound working relationships with ... stakeholders*” (Respondent A), after which they gather and collate information which they are able to present back to the stakeholders and explain the demands. According to respondent 5, “*on the side of organized labour ...it is always a problem when their literacy levels are low as they do not have capacity to engage at a high level of understanding both with the business and the economic factors*”.

“Leadership plays a key role in the negotiation process. In terms of really understanding the positions of the parties, putting those positions across and feeding back the messages” (Respondent 8). This includes consolidating mandates and communicating with the constituencies.

“Consolidating mandates from their constituencies... Prepare presentations to the other party that present and explain demands....Communicate with their constituencies” (Respondent 1)

Nine of the respondents were of the opinion that ethical leadership is critical in the bargaining process and will influence the morality of decision making. Leaders have the power to “...*influence each other and their constituents*” (Respondent 9). Ethical and credible leaders are able to deal with difficult negotiations as they are trusted and respected. They are able to dig deeper and uncover the real issues that may be hindering the process and initiate a resolution by finding common ground.

“Difficult negotiations are rarely resolved by way of the issues on the table – leaders (with the necessary credibility) come to the fore and inspire the process – and to unlock any impasse that might stifle the process” (Respondent 3)

“The type of leadership that sits around the table to negotiate on the issues in dispute may have an important impact on the prolonged strike. The credibility of the leadership is crucial in finding a common ground” (Respondent 6)

Respondent 9 submitted that *“...this is a key aspect. Leaders must have a plan but must not execute that plan at all costs”*. If leaders are not ethical and credible, they can greatly hinder the process and undermine their own integrity. They may be unknowingly negotiating for the wrong things, or in some instances, they have their own agenda. This can lead to prolonged or unresolved strikes.

“If the leaders are not credible and ethical, a process of misinformation may muddy the issues and lead to a prolonged and unresolved strikes” (Respondent 6)

“I have unfortunately see harm done by ill-qualified leaders who stand up on principle for principle’s sake without understanding the issues at hand and then do their constituents real harm” (Respondent 8)

“Ethical leadership is also key – it is not always clear whether the leaders are speaking on behalf of their constituents or themselves (and what they have to gain in the process) and this undermines the integrity of their leadership” (Respondent 8)

Since leaders in the negotiation process are tasked with *“...convincing the opposition of the inherent merit of the demands tabled and problems with the tabled counter offer”* (Respondent 1), it is important that they are charismatic and motivating, according to eight of the respondents. Although one respondent disagreed with this and one was neutral, the common sentiment was that this will assist with ensuring that once they have identified the real issues they can motivate the team to work towards a common goal.

“Becoming an effective leader requires the ability to diagnose problems, make effective decisions, influence and motivate others, and systematically put everyone’s skills to good use, including one’s own to successfully execute the team’s goals” (Respondent 11)

On the other hand, when asked if arrogant and dictative leaders should be allowed to lead negotiations, the respondents had mixed reactions. Half (5) of the respondents were of the opinion that arrogant and dictative leaders should not be allowed to lead negotiations, four believed they should be allowed and one was neutral. However, since the leadership role is critical to influencing the direction of the negotiations through dealing with the stakeholders, leaders must have “...*the ability to manage [their] power and or perceived power and use it sparingly*” (Respondent 7).

In narrowing down the findings from round two questioning on this proposition, round three questioning included the statements, “**Holding employers responsible for failure to satisfy the agreed-upon demands will eliminate the need to re-work decisions and strike actions**” and “**Holding labour unions responsible for the frequency of strikes, where agreements are in place, will eliminate strikes**”. These statements were ranked 6 and 7, with a weighted scores of 24 and 23, respectively (See table 6.8).

Table 6.8: Round Three Responses Weighted and Ranked

Round Three Statements – Likelihood Scale Responses	Rank Place	Weighted Responses
Ensuring that organisations transparency through employer-trade union dialogue will enhance the understanding of the business' economic position	1	27
Enhancing capacity building of trade unions leadership within the bargaining sphere will promote reduction of frequent strikes	2	26
Roles and responsibilities clarity in the bargaining process will improve the labour dispute resolution process	3	26
Increasing the power of the Labour Relations Act in the restriction of lengths of labour strikes will reduce the frequency of strikes	4	24
The openness of organisations before and during the negotiations will reduce the need to satisfy unrealistic demands	5	24
Holding employers responsible for failure to satisfy the agreed-upon demands will eliminate the need to re-work decisions and strike actions	6	24
Holding labour unions responsible for the frequency of strikes, where agreements are in place, will eliminate strikes	7	23
Applying stricter rules in the society and political party involvements in the labour negotiations will eliminate frequency of strikes	8	20
Introduction of administrative fines for parties involved in the bargaining processes will eliminate frequency of strike actions	9	16

6.5 Research Proposition 4

To what extent does sophistication of unions and societies influence the frequency of strikes and how can it be managed?

The research proposition was intended to explore the extent to which sophistication of unions and societies influence the frequency of strikes and how it can be managed. During round one questioning, most of the respondents were adamant that union and society sophistication play a role in bargaining and reduction of strikes with comments such as “...in my view, *absolutely*” (Respondent 4), and “...without a doubt – as the

Marikana experience have shown, the State, Management, NUM and AMCU's inexperience to deal with the crises lead to disaster” (Respondent 1). However, respondent 8 argued, “...I believe union and society sophistication plays a role in the bargaining process, but I am not sure that this leads to the reduction of strikes”.

Round two questionnaires consisted of five Likert scale questions exploring the respondents' perceptions on this proposition. Figure 6.6 below reflects the frequency distribution of positive versus negative, and neutral answers to all five statements and table 6.9 shows the more detailed frequency for each of the Likert scale options.

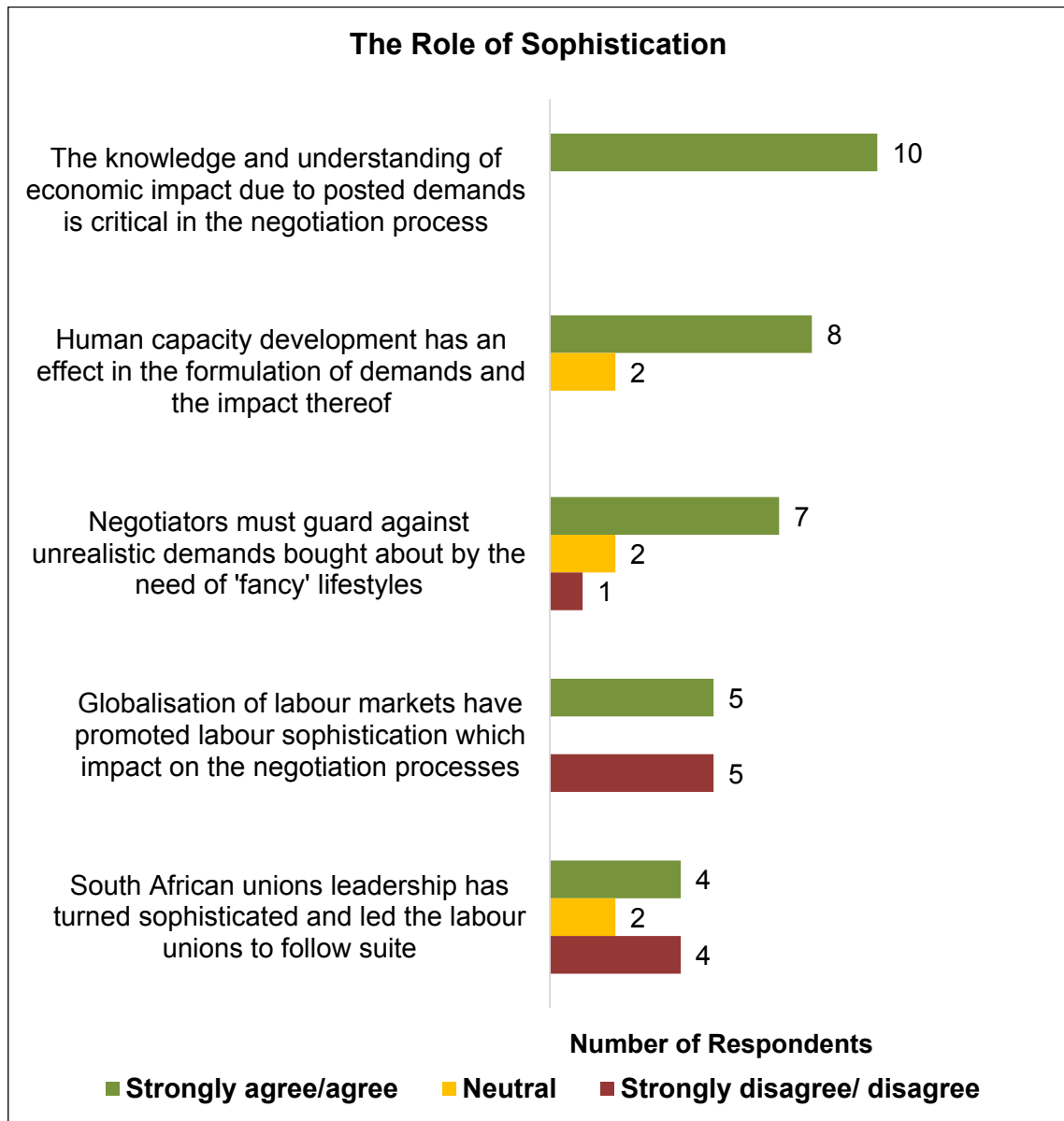
All the respondents agreed that the knowledge and understanding of economic impact due to posted demands is critical in the negotiation process. The more sophisticated the union and society, the better understanding they are likely to have of, not only economic issues facing the industry, but also larger issues of the broader economic environment such as inflation. An understanding of socio-economic factors also contributes to an easier negotiation process as both the impact on the industry and the society can be considered and understood by all parties in the negotiation process.

“The more sophisticated the society, the easier it is to reach a reasonable solution to a strike as there is better understanding of the broader economic environment, markets, inflation, etc.” (Respondent 4)

“It is not only a matter of sophistication but ability to understand other factors influencing issues that are being negotiated, for instance union leaders should understand how housing issues draw and impact on other issues outside the industry. The unions' leaders should have some level of understanding of socio-economic issues that impact on their negotiation process” (Respondent 6)

“Union and society sophistication assist in the understanding of issues facing the industry making fair settlements possible.... Society sophistication causes that companies' finances are better understood” (Respondent 9)

Figure 6.6: Round Two Agreement on the Role of Sophistication



Eight out of the 10 respondents were of the opinion that human capacity development has an effect in the formulation of demands and the corresponding impacts. However, this effect can have both positive and negative consequences and seven of the respondents cautioned that negotiators must guard against unrealistic demands brought about by the need of 'fancy' lifestyles.

According to respondent A from the preliminary investigation, "... once people are elected to serve as union representatives, the very first thing that needs to happen is for them to be capacitated so that they understand the business and understand their

roles as union representatives so that, when the time comes for bargaining, at least they know what to do and how to do it". However, the human capacity development of society will also mean that society will have expectations and can place pressure on the negotiations, usually to reach a settlement that will not negatively impact the society negatively.

"...a sophisticated society will always influence the process with union leaders to pursue them to reach a settlement that will not impact the society negatively. In most cases strikes affects the society's socio-economic needs and this is normally prevented by a sophisticated society" (Respondent 5)

Table 6.9: Round Two Detailed Responses on the Roles of Sophistication

The Role of Sophistication	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
	Number of Responses (n=10)				
The knowledge and understanding of economic impact due to posted demands is critical in the negotiation process	6	4	0	0	0
Human capacity development has an effect in the formulation of demands and the impact thereof	3	5	2	0	0
Negotiators must guard against unrealistic demands bought about by the need of 'fancy' lifestyles	4	3	2	1	0
Globalisation of labour markets have promoted labour sophistication which impact on the negotiation processes	2	3	0	5	0
South African unions leadership has turned sophisticated and led the labour unions to follow suite	1	3	2	4	0

As society becomes more sophisticated, they play a more prominent role in the duration and prevention of strikes as they understand the impact on themselves. This has been seen in the South African Labour Relations Environment where the communities become involved by placing pressure on negotiations, especially where

the strike action is seen to be circumspect and the demands of the striking body, unreasonable.

“The extent to which society and communities play a part in the duration or prevention of strikes has become more prevalent in the South African LR environment. Society and Communities will place immense pressure on the negotiations (and on ensuing strike action) if the merits for striking are circumspect” (Respondent 3)

“...society can and will itself put pressure on unreasonable demands. This will happen more so where the wage gap is not large (haves and have not's), inflation rates are low, and the impact of strike action will impact heavily on the community” (Respondent 2)

On the other hand, *“...a less sophisticated society depends on union leadership to tell them what is acceptable and therefore they become pawns in the game”*, according to respondent 4, and the union will therefore ultimately dictate when agreement in the negotiation has been reached. Respondent 8 however, submits that, *“...I do sometimes think that the parties “play dumb” in an effort to get their point across or achieve their desired results”*.

The human capacity development of society has resulted in communities playing a far more active role in the bargaining process. Where they see that industry is not amicable to negotiation and a settlement can't be reached, they will support the strike action. However, if the strike is seen to be unreasonable and based purely on material needs, which the company cannot afford, society will put pressure on the unions to end negotiations speedily so as to protect any negative consequences to the wider community. In essence, negotiators must guard against unrealistic demands bought about by the need of 'fancy' lifestyles.

“Where an industry has shown to treat communities and societies with disdain or where the negotiation process over time produced little or no demonstrable proof of benefits to workers and society – they will place pressure and support strike action.” (Respondent 3)

“Society sophistication may cause people to demand better wages and salaries that companies may not be able to afford....However where the demand of living supersedes the earning of people, the expectations of people may cause for irrational demands” (Respondent 9)

There were mixed reactions to the impact of globalisation on the promotion of labour sophistication and the corresponding impact on the negotiation processes. Half the respondents agreed with this sentiment but the other half disagreed. Respondent 5 stated:

“Globalization is one of the vehicles that are used to benchmark the processes, however understanding the South African corporate and people culture is key to have a better managed Labour Relations environment which includes your bargaining process and the management of strikes”

The respondents were also not in agreement that the South African Unions’ Leadership has turned sophisticated and led the labour unions to follow suite. Four respondents agreed with this statement, four disagreed and two were neutral. Respondent one claimed that *“Stakeholder maturity is a mitigating factor in the management of frequent strikes”* but respondent 10 argued:

“Unions will always seek sympathy from society for their demands to be met. For a strike to be effective, support from society is vital not only in the mining industry but in other sectors of the economy as well. Unions mobilise society during the wage negotiations and media plays an important role in this regard”

The sophistication of all parties to collective bargaining, whether directly or indirectly, assists in mitigating the length and severity of strikes. It promotes the negotiation process to be beneficial for the industry, workers and communities in which they operate. Society is not likely to accept long strikes that cause harm to any of the parties involved. They will support the strike if they believe the industry is unfairly dismissing the workers concerns and they will support the industry where they believe the demands of the unions are unreasonable or will have negative consequences for the community. Respondent A summarised his perceptions as follows:

“We should have stakeholders that are fairly educated, understanding the bigger picture in terms of the economic factors, and once you have that whatever conversations you have around the table, those conversations will yield positive results within a very short space of time, because parties will be bargaining or negotiating at the same level of understanding, and also the level of willingness to reach common ground will always be there because parties will be negotiating under a similar level of understanding you know and also that willingness to achieve an amicable solution to whatever the issue is which is in question”

Table 6.10: Round Three Responses Weighted and Ranked

Round Three Statements – Likelihood Scale Responses	Rank Place	Weighted Responses
Ensuring that organisations transparency through employer-trade union dialogue will enhance the understanding of the business' economic position	1	27
Enhancing capacity building of trade unions leadership within the bargaining sphere will promote reduction of frequent strikes	2	26
Roles and responsibilities clarity in the bargaining process will improve the labour dispute resolution process	3	26
Increasing the power of the Labour Relations Act in the restriction of lengths of labour strikes will reduce the frequency of strikes	4	24
The openness of organisations before and during the negotiations will reduce the need to satisfy unrealistic demands	5	24
Holding employers responsible for failure to satisfy the agreed-upon demands will eliminate the need to re-work decisions and strike actions	6	24
Holding labour unions responsible for the frequency of strikes, where agreements are in place, will eliminate strikes	7	23
Applying stricter rules in the society and political party involvements in the labour negotiations will eliminate frequency of strikes	8	20
Introduction of administrative fines for parties involved in the bargaining processes will eliminate frequency of strike actions	9	16

In narrowing down the findings from round two questioning on this proposition, round three questioning included the statement, ***“Enhancing capacity building of trade unions leadership within the bargaining sphere will promote reduction of frequent strikes”***. This statement was ranked 2nd, with a weighted scores of 26. (See table 6.10).

6.6 Research Proposition 5

How do external disruptive organisations influence the frequency of strikes and how can they be managed?

The research proposition intended to ascertain the influence of external disruptive organisations on the frequency of strikes and understand how these could be managed. The findings of the respondents’ answers to the four, 5-point Likert Scale questions asked in round two are outlined in figure 6.7 and in more detail in table 6.12 below.

The respondents were in agreement that external influences, from political parties, should not be allowed to influence the negotiation spirit and decisions made, with only one respondent disagreeing. Also, eight respondents agreed that only directly affected parties, i.e. trade unions and employers, should be allowed to be part of the table-discussions during negotiations. Five respondents were of the opinion that societal influence should not be allowed to influence the bargaining processes and seven respondents indicated that community leaders should not be allowed to play a role in negotiations to enhance influence in the acceptance of decisions by communities. In essence, the respondents were of the opinion that only the directly affected parties should be included in negotiations.

During the preliminary research it was found that there has been a lot of political interference, in collective bargaining, in the mining industry. Respondent A reported: *“...recently we actually observed that these strikes are not necessarily based on wage issues, however there are now external factors that are also influencing them – like people being affiliated to different political parties, pushing their political agendas”* and leading to labour unrest. This contradicts the original function of the State affiliates who are mandated to play a mediating role where necessary.

“Employers and organized labour bargain together and the state is always playing a mediating role to ensure that these parties are closer to each other, where settlements are not reached, the state intervenes by means of arbitration (voluntary or forced)” (Respondent 5)

Figure 6.7: Round Two Agreement on the Influence of External Parties

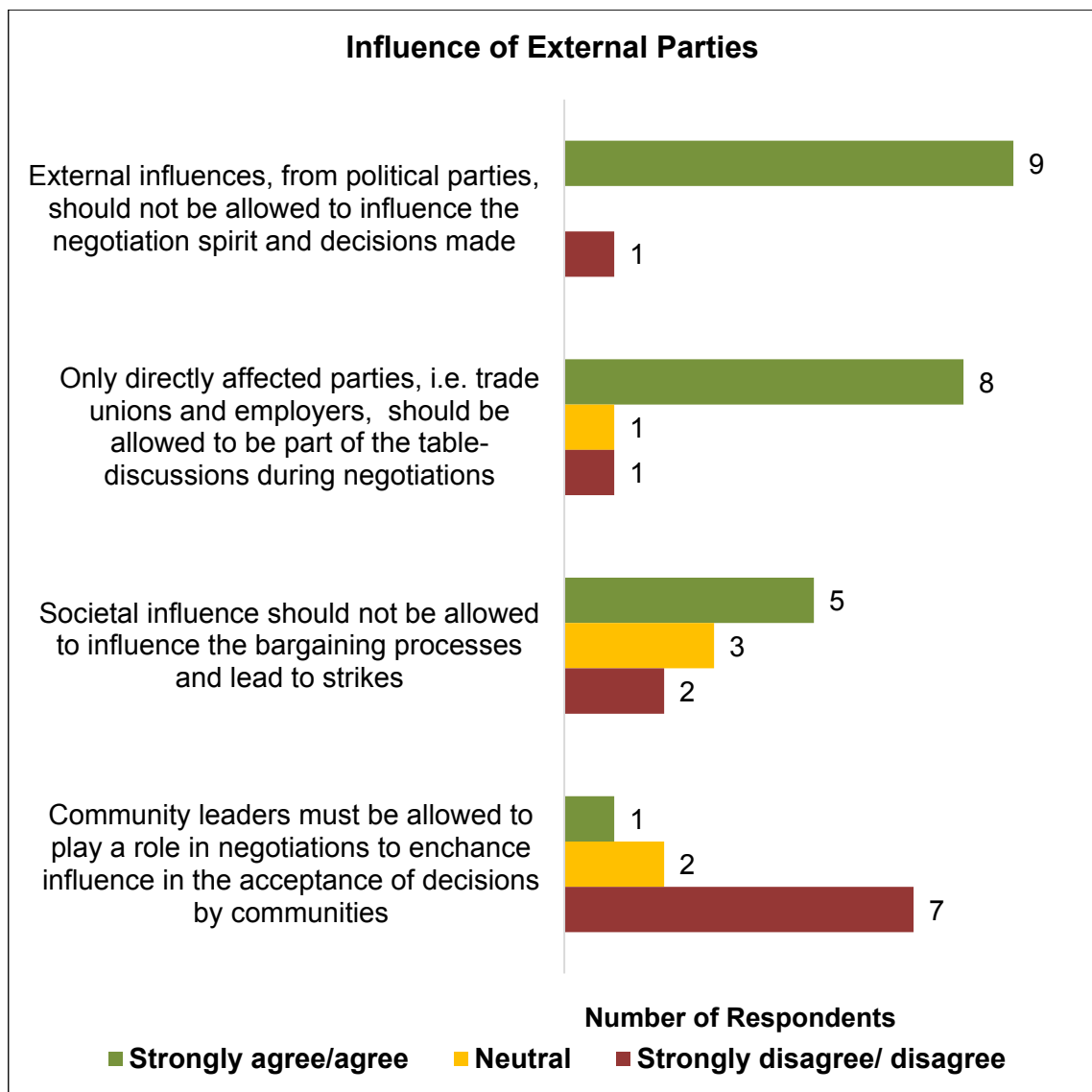


Table 6.11: Round Two Detailed Responses on the Influence of External Parties

Influence of External Parties	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
	Number of Responses (n=10)				
External influences, from political parties, should not be allowed to influence the negotiation spirit and decisions made	5	4	0	1	0
Only directly affected parties, i.e. trade unions and employers, should be allowed to be part of the table-discussions during negotiations	4	4	1	1	0
Societal influence should not be allowed to influence the bargaining processes and lead to strikes	2	3	3	2	0
Community leaders must be allowed to play a role in negotiations to enhance influence in the acceptance of decisions by communities	0	1	2	5	2

The discernment of the respondents was that “...in many industries there needs to be government involvement but with the current ANC / COSATU alliance, this tends to have the impression of being government siding with the trade unions which is not the role they should be playing but rather a neutral position” (Respondent 8). During round two questioning, many of the respondents included mediators/ regulators and other external parties as important stakeholders in the effective bargaining process that enables a reduced frequency of strikes. The parties most mentioned were the Commission for Conciliation, Mediation and Arbitration (CCMA), the Department of Mineral Resources (DMR), the employers’ organisation, the Department of Labour or the labour court, the Trade Federation and other neutral third parties.

“Other mechanisms that may be agreed up front may assist i.e. referral to the CCMA, arbitration in its various formats etc.”(Respondent 2)

“...nothing precludes the parties from involving their respective representatives (employers’ organisation or trade federation) – also if need be, independent facilitators or even the CCMA to assist the parties in reaching consensus” (Respondent 3)

“External parties (if appropriate) e.g. CCMA; appointed facilitators /mediators; Labour court” (Respondent 4)

“Regulators (DMR in our case) and Department of Labour and CCMA” (Respondent 6)

“Respected and neutral third parties (e.g. mediators, economists etc.) who are able to join when a deadlock seems likely to provide an independent (or alternative) perspective and point of view” (Respondent 8)

However, respondent A explained that “...from an employer’s point of view it is not something that is easily managed because there are also external factors that are actually complicating the whole thing in terms of political parties that are aligned with each of these players within the industry you know – and that is actually complicating everything”. Respondent B also shared that:

“Historically in the mining industry, in 3-5 days, [the strike] almost disintegrates. Where we find ourselves today – we have long strikes, violent strikes, demands that does not make economic sense, demands that are unobtainable. You have these overriding political issues that impact on the strike. For the first time now you have communities involved in strike action and you have got the clergyman that got involved recently and other organisations. When AMCU emerged you had organisations at the back of them, WASP, socialist groups, a whole lot of political dynamics that plays out in the country, all these issues lends to a company’s inability to break a strike in a 1 week or 2 weeks”

Round two questioning found that the respondents believed non-stakeholders should be excluded from the physical bargaining process, including community members, political parties and state affiliates. Respondent 7 maintained that “...recent experience has shown that the involvement of outside stakeholders only complicates the process”.

“Exclusion of non-stakeholders in the physical bargaining process” (Respondent 1)

Similarly, although the weighted rankings in round three questioning placed the statements, ***‘Applying stricter rules in the society and political party involvements in the labour negotiations will eliminate frequency of strikes’*** and the ***‘Introduction of administrative fines for parties involved in the bargaining processes will eliminate frequency of strike actions’***, in the last two places of the complete ranking set (see table 6.12), the weighted scores of 20 and 16 respectively, out of a maximum score of 30, confirmed the respondents sentiments that political interference should be eliminated from the bargaining process.

Table 6.12: Round Three Responses Weighted and Ranked

Round Three Statements – Likelihood Scale Responses	Rank Place	Weighted Responses
Ensuring that organisations transparency through employer-trade union dialogue will enhance the understanding of the business' economic position	1	27
Enhancing capacity building of trade unions leadership within the bargaining sphere will promote reduction of frequent strikes	2	26
Roles and responsibilities clarity in the bargaining process will improve the labour dispute resolution process	3	26
Increasing the power of the Labour Relations Act in the restriction of lengths of labour strikes will reduce the frequency of strikes	4	24
The openness of organisations before and during the negotiations will reduce the need to satisfy unrealistic demands	5	24
Holding employers responsible for failure to satisfy the agreed-upon demands will eliminate the need to re-work decisions and strike actions	6	24
Holding labour unions responsible for the frequency of strikes, where agreements are in place, will eliminate strikes	7	23
Applying stricter rules in the society and political party involvements in the labour negotiations will eliminate frequency of strikes	8	20
Introduction of administrative fines for parties involved in the bargaining processes will eliminate frequency of strike actions	9	16

Chapter 7: Discussion

7.1 Introduction

The research set out to gain an understanding of the contributing factors to the frequent and prolonged strikes in the South African mining sector. Furthermore it was intended to suggest solutions that could have a positive impact on the bargaining process in the modern South African mining industry and thereby reduce the frequency of strike actions. In order to gather relevant information, the research set out to answer five research propositions as follows:

1. How does a selected choice of negotiation process influence the management of strikes?
2. What are the roles of negotiators in the management of frequent mining labour strikes?
3. What is the role of leadership in the management of strikes and what is the appropriate leadership characteristics required for such conflicts management?
4. To what extent does sophistication of unions and societies influence the frequency of strikes and how can it be managed?
5. How do external disruptive organisations influence the frequency of strikes and how can they be managed?

Data collection was carried out by means of a three phased approach, termed the Delphi technique, as described in chapter 5. Phase one was qualitative in nature and attempted to gain insight into the real issues facing the bargaining process in the industry. Phase two consolidated the main issues that were identified in phase one and was intended to delve deeper into the impact of these issues for the mining industry and establish consensus. Phase three again consolidated the responses from phase one and two, narrowing the issues down to possible solutions for the reduction and management of frequent strikes. Phase two and three allowed for some quantification of the established meaning from the responses gathered. Phase three was used to gather consensus through ranking the possible solutions. In addition, two in-depth preliminary interviews were conducted to understand the broader issues that the mining industry is faced with.

Chapter six outlined the findings from all the research phases, both through using frequency analysis techniques and content analysis of the qualitative responses collected. This chapter will discuss these findings in the context of the literature from chapter two and chapter three. The discussion will address each of the research propositions in turn and conclude with suggested possible solutions for the reduction of strikes in the South African mining industry.

7.2 Research Proposition 1

How does a selected choice of negotiation process influence the management of strikes?

Before one can discuss how a selected choice of negotiation process can influence the management of strikes, it is first important to understand why strike actions are so prevalent in the modern South African mining industry. According to Ndungu (2012), the collective bargaining system is not a new concept for South Africa, having been adopted into South Africa in the early 1920s but at the time, racial discrimination prevented Blacks from participating in labour unionisations and any decision-making processes that applied, were resultantly 'biased' and in favour of employers or organisations (Hameed, 1970). Black labour trade unions only starting emerging in the 1970s (Elsley, Mthethwa, & Taal, 2013) and following the 1994 elections, workplace transformation actively promoted the freedom of unionisation and collective bargaining for blacks (Allen, 2003).

The research found that the two main reasons for strike actions in the modern South African mining industry stem from socio-economic factors and political agendas. The inequalities of the past have resulted in levels of income for mine workers that are inadequate to sustain their living costs and social needs. Ndungu (2012) pointed out that employees take to industrial action not only to address the inflexibility of wage increases, but also to address other socio-economic discriminators of the past such as the inequality between wages for black *versus* white workers, poor living conditions and poor education. This legacy of inequality still exists today and the only recourse for action from the labours, is to strike.

It was also established from the research that a number of stakeholders in the negotiation process are pushing their own political agenda's during negotiations, especially since the introduction of a new labour union party which is direct competition to the one major union of the past and who are trying to prove themselves in the field. This was also identified by Ndungu (2012) who discussed union rivalry, tactics and political influence on bargaining environments and processes. This political interference has resulted in the length of strikes in the mining industry being prolonged.

It was established from the research findings that, as opposed to having no process in place to negotiate, collective bargaining is an appropriate tool for the management of strikes as it allows the parties to engage in negotiations on matters of mutual interest. Bendix (1996) also acknowledged that collective bargaining may not be ideal but provides a platform for employers and employees to negotiate and resolve any conflicting issues between these parties.

However, the process of collective bargaining must also be used respectfully if it is to be successful in resolving conflicts. Creamer et al. (2006) are of the opinion that all stakeholders to the negotiation process must understand the nature of the participative process, prior to negotiations taking place, so that respectful relationships between the parties can be formed. Honest and open communication builds a relationship of trust between the parties which eases the development of a mutually satisfying agreement. This was found to be true in the research as the consensus was that 'ensuring a mutual understanding, trust and openness is created between parties, will reduce the risk of strikes'. Meaningful engagement results from the transparency and honesty of the parties in open communication with each other. Donahue et al. (2000) define this as the process of negotiating in ethical-morality.

Building a relationship of trust and mutual respect involves continuous communication from the employer to the employees and should start long before any conflicts arise. Sharing company relevant information such as its financial position, its vision, its challenges and its prospects for the future, ensures that the unions are well informed and the employees have a sense of belonging and being respected, which is imperative in light of the history of 'biased' decision making in favour of the company. On the other hand, employees and employee unions need

to be honest and forthcoming with their employers about their apprehensions and they need to ensure that their demands are reasonable.

Although the centralised collective bargaining process has been debated in both developing countries and in well-established countries (Fashoyin et al. 2013), this research found that it is perceived as a tool that is highly effective in minimising the risk of frequent and prolonged strikes in the mining industry in South Africa. It has traditionally been favoured over individualism (Grogan, 2009; Maree, 2011) as it involves union and employer groupings (Grogan, 2009) which reduces the costs of negotiations and eases the implementation of decisions.

For the South African mining industry, centralisation was also favoured as it allowed for the pooling of resources either on a company sector level or on an industry level, and it minimises the chance that unions will play one employer off against another. This is not true however for smaller enterprises because financial strains on small enterprises are neglected (Prasad, 2009). On the other hand, there is a greater financial risk for the mining industry when using centralised bargaining techniques as it affects a greater number of people in the parties and it involves ensuring that all employers stick together.

It is believed that the revision of regulations that govern bargaining processes will enhance the reduction of frequency of strikes in the future, for the South African mining industry. The laws of the country must be respected and there should be no leeway for parties or individuals that cannot abide by these laws. In addition, individual negotiations that place clear mandates and guidelines on the table before the negotiations take place, ensure an understanding from all parties of what acceptable behaviour entails. This again reiterates the importance of clear, honest and open communications between the parties.

7.3 Research Proposition 2

What are the roles of negotiators in the management of frequent mining labour strikes?

The main negotiators in the bargaining process, as identified by the respondents in this research are the management team and the union leaders. It was acknowledged however, that various other parties could become involved including, among others, mediators and arbitrators, the government and its constituents, regulators and community leaders. Generally the employer, or leaders from the employer side who are mandated to negotiate, and employee parties such as union leaders or organized labour leaders, are considered vital to negotiations.

Young (1991) expressed that leadership plays a critical role in the management of strikes. Failure to understand this role will fail to enhance the success of a bargaining processes and ensure resolutions in the institutional arrangements in international society. This study confirmed that the parties to the collective bargaining process, in the South African Mining industry, have an important role to play in the management of frequent mining labour strikes.

The literature indicates that in order for the negotiation process to succeed, it is imperative that negotiators understand the principle of compromise (Lyons et al. 2006) as negotiators who become selfish and resist compromising will cause the process to fail and not reach a solution (White & Neale, 1994). This ability or unwillingness to compromise often results from inexperienced party leaders, who do not fully understand the rules of engagement, leading the negotiations. The maturity and experience of the negotiators is critical for the parties to understand their differing interests and inexperienced party leaders should not be entertained in the bargaining process.

Young (1991) claimed that the lack of leadership within the trade unions and the inclination of leaders towards material benefits and competitive positions has contributed to the regression of strategic intent for the unions. Due to competition for higher positions, infighting that propagates fragmentation of the trade unions, has been observed. For this reason, it can be said that only recognised labour unions should be entertained in the bargaining process.

Leaders in the bargaining process must strive to develop and maintain good relations between negotiators. This will ensure that consensus is reached quicker and both parties to the negotiation walk away from the negotiations satisfied. Good relations are built on transparency, integrity, mutual respect and good faith. The research also found that negotiators should not ignore the smaller issues that are causing conflict and need to 'understand the diamonds of the other party'. However, they need to caution against too much focus on the smaller issues which could result in the larger issues not being adequately resolved.

7.4 Research Proposition 3

What is the role of leadership in the management of strikes and what is the appropriate leadership characteristics required for such conflicts management?

Solid leadership from both parties in the bargaining process is a key aspect of ensuring successful negotiations as the leaders are responsible for the management of the whole process and the leaders influence the state of labour management during the negotiations. Although Twala (2012) agrees that trade unions leadership is critical as it determines how labour can be influenced and driven, he also argues that there are exceptions where labour determines the strike zone. This anomaly is commonly a result of labour losing trust in their leadership (Visser, 2012).

Decisive and strong leadership involves communication, understanding and searching for solutions. The employer needs to ensure that offers that are made to the union are accurate, fair and transparent and the union must ensure that their demands are reasonable. In order to achieve this, there needs to be continuous dialogue between the parties for a common understanding of the issues to be developed before resolutions can be proposed. Young (1991) agrees, stating that this process can prove to be tedious.

It was identified that the process can be seen as tedious in that it initially involves gathering a good understanding of each party's position through discussions with the

constituents and consolidating mandates. The information then needs to be consolidated and fed back to the stakeholders, explaining the demands.

To really understand the demands of the parties, rapport needs to be built so that discussions are open and honest. Ethical and credible leaders are more trusted and will be able to dig deeper to understand the real issues that are hindering the process of finding common ground. Ethical leadership will also influence the morality of decision making and if leaders are not ethical and credible they can hinder the process.

Unethical leadership that occurs as a result of the leaders having their own agenda is likely to lead to prolonged strikes. Young (1991) identified that the lack of ethical leadership within the trade unions and the tendency to follow a hidden agenda, organisational development has lacked and some trade unions have become less attractive to the labour force, resulting in a decline of membership thereof.

Certain personality traits of the leaders will benefit the bargaining process as leaders need to be convincing of the merits of their demands. A charismatic leader is seen as one who can convince and motivate the team. Young (1991) supports the concept of a charismatic and motivational leader benefitting the process, but also argues that this leader should have the ability to be arrogant and decisive. This was not found to be true in its entirety, in this research, as there were very mixed reactions about the ability of an arrogant and decisive personality being effective in leading the negotiation process.

7.5 Research Proposition 4

To what extent does sophistication of unions and societies influence the frequency of strikes and how can it be managed?

There is no doubt that the more sophisticated the unions and societies are, the easier it becomes to enter into negotiations with them. However, according to the social identity theory of leadership, as identified by Hogg (2001), in order for leaders to be accepted by society they have to be perceived as being the same as the society. The situation currently is that union leaders, as they have become more sophisticated, have moved out of the rural areas, into the more urban areas and now being perceived as outcasts

(Bezuidenhout & Buhlungu, 2010). They have therefore lost a lot of their credibility in the community.

The research however, found that there is a level of sophistication that is required, particularly when it comes to the understanding of the economic impact due to posted demands. A sophisticated society will have an understanding of economic issues facing the industry and other economic factors such as the effects of inflation on the communities. An understanding of socio-economic factors also contributes to an easier negotiation process as both the impact on the industry and the society can be considered and understood by all parties in the negotiation process.

It was thought that the capacitation of leaders has an effect in the formulation of demands and the corresponding impacts. However, this effect can have both positive and negative consequences with some negotiators working their own agenda's in the negotiations and putting forward unrealistic demands to finance 'fancy' lifestyles. In addition, the human capacity development of society means that society will have expectations and can place pressure on the negotiations, usually to reach a settlement that will not impact the society negatively.

As society becomes more sophisticated, they begin to understand the impact on themselves and on the communities and are therefore usually open to the negotiation process. Also, as communities become more sophisticated, they begin to play a far more active role in negotiations and where they identify that the industry is pushing back on reaching an amicable settlement, they will support strike actions. Conversely, where they identify that unreasonable demands are being placed on industry, they actively pressurise the unions to end negotiations so as to avoid negative consequences to the wider community.

The mining industry in South Africa is not sure as to the impact of globalisation on the promotion of labour sophistication and the corresponding impact on the negotiation processes. The sentiment was that the South African corporate and people culture is key to the effective bargaining process and that globalisation is more concerned with benchmarking the process.

7.6 Research Proposition 5

How do external disruptive organisations influence the frequency of strikes and how can they be managed?

The South Africa business environment is sensitive given the apartheid-era experienced. Maintenance of peace within the South African society is an unspoken principle and determines the disturbance or alterations of the negotiation policies. The notion not to disturb unionism and densities of unions appear to be part of the 'resistance to peace instability' in the SA labour sector (Tshoaedi & Mosoetsa, 2013). Because of such a notion, political influences have turned to get involved in the aspect of managing the labour sphere in South Africa.

Tshoaedi and Mosoetsa (2013) argued that the political interference in the labour management sphere of South Africa has compromised the well-being of the labour management process and processes such as collective bargaining are being negatively influenced. The trend currently is that trade union leaders are associated with political parties, often being inspired to become political figures, and therefore have their own agenda when acting as a trade union representatives (Mbheki, 2012), to the detriment of serving labour to its benefit.

This research found that the perception is that there has been a lot of political interference, in collective bargaining, in the mining industry and that trade unions and employers are considered to be the only parties that should be involved in the bargaining process as external influences from political parties are in fact hindering the bargaining process and the sentiment is that they should not be allowed to influence the negotiation spirit and decisions made. In addition, societal influence should be prevented and community leaders should be prevented from trying to influence communities in their decision making.

Certain parties, such as mediators and arbitrators have a function to play when deadlock occurs and can be included in negotiations if agreement is reached between the parties, prior to negotiations taking place. However, there is a lack of trust in these external bodies as they are closely associated with political bodies and do not have the best interests of the labour at heart. This also applied to many union leaders who have

a political agenda to pursue. Political affiliations of trade unions and political parties cannot be separated (Ramaphosa, 2014).

7.7 Suggested Actions to Positively Impact the Bargaining Process and Reduce the Frequency of Strike Actions

As stated previously in this chapter, the research intended to gather suggested solutions that could have a positive impact on the bargaining process in the modern South African mining industry and thereby reduce the frequency of strike actions. The third round of questioning narrowed the issues down to possible solutions and based on the weighted responses these solutions were ranked. It can therefore be assumed that the weighted responses and rankings provide these possible solutions and give an indication of the impact of these solutions on the bargaining process.

Figure 7.1 below outlines the suggested solutions within a framework of ‘immediate actions’, ‘secondary actions’ and ‘tertiary actions’ that can be taken to positively impact the bargaining process and reduce the frequency of strike actions.

Figure 7.1: Suggested Actions to Positively Impact the Bargaining Process



Chapter 8: Conclusion

8.1 Introduction

The main aim of the present study was to explore and derive a possible bargaining model that will assist in the management of frequent strikes in the South African mining industry. As highlighted in Chapter one, this research was informed by the debate around the validity and effectiveness of the current bargaining processes (Mothlante, 2012). Understanding the currently used bargaining process and its effect on the labour strikes in the mining industry is paramount. The increase in the frequency of mining strikes and its economic effect added to the need for the research. The scope of this study was limited to interviews with key experts in the labour management within the mining industry. Understanding of the collective bargaining by the expert was also crucial. A cautious effort was made by the research to interview parties from both the employers, trade unions and academic experts in order to establish different views from different stand points.

8.2 Summary of Propositions

The following research propositions were tested to inform the suggested bargaining model:

1. How does a selected choice of negotiation process influence the management of strikes?
2. What are the roles of negotiators in the management of frequent mining labour strikes?
3. What is the role of leadership in the management of strikes and what is the appropriate leadership characteristics required for such conflicts management?
4. To what extent does sophistication of unions and societies influence the frequency of strikes and how can it be managed?
5. How do external disruptive organisations influence the frequency of strikes and how can they be managed?

8.3 What was Established from the Research

The results as outlined in chapter 6 and discussed in chapter 7 point out that the success of the bargaining process, which will lead to the reduction of frequent and prolonged mining strikes, does not only depend on the choice of the set bargaining systems. However there is no empirical evidence that collective bargaining will curb the frequency of the mining labour strikes. However several contributing factors play a role in the prior prevention and furthermore management of the labour strikes should they occur.

Contributing factors such as leadership, knowledge of negotiators, ethnicity and honesty were viewed to be crucial for the negotiation process. This is should be culminated into the communication process that should take place between stakeholders prior the 'strike zone'. The research established that prior communication may reduce the need to flood the negotiations with unrealistic demands that end-up creating strikes. Managing the negotiation process ethically under the auspices of trust will encourage ease of reaching compromising settlements (Bezuidenhout & Buhlungu, 2010).

8.4 Limitations

The shortage of international contribution to the research results of this study may hinder the applicability of research study learnings to other mining industrialized countries. Furthermore, the findings of this study, though delivered the key objective of the study, are representation of a limited quantity of respondents. Hence, the conclusion of this research may not be applicable to the whole mining sector in general.

8.5 Recommendations

The results of this research study appear to suggest that further work needs to be conducted to ensure that the gap between the South African mining bargaining stakeholders, who lead the industry into strikes, is eliminated. The failure to manage the bargaining process before it becomes strikes, though strikes are employee rights,

suggests this gap that needs to be managed accordingly because of the societal and economic impact of such strikes. It is recommended that:

1. Employers need to ensure that the trade unions that represent their employees have the capacity to be able to negotiate at the level that does not spark impasses between bargaining stakeholders. The capacity-building process should be formalized to ensure experienced negotiators are part of the process of development particularly for the young trade union leaderships.
2. Trade unions need to ensure that continuous communication between employers and employees is alive and all the matters of concern are tabled continuously to the employers for rectification. This will prevent the number of issues that must be dealt with during a bargaining process that end up prolonging the negotiation process.
3. The bargaining process should be governed strictly to ensure a reduction of labour strikes. Where the strike period is lawfully stipulated and regulated, the length of strike can be managed and therefore the economic effects can be managed for all stakeholders.

8.6 Future Research

Further tests and studies can be conducted on the impact of the bargaining process on the economy of the developing states and how the regulatory process of the bargaining process can be altered to curb the length of protected and unprotected labour strikes. Reproduction of this research in further researches may be advantageous particularly the fact that the results obtained from this study were at the time when South Africa was developing and had just experienced record-breaking strikes action in the mining industry. Using the pragmatic views of this research respondents, who are experts in the bargaining process, may allow for the understanding of change in society perceptions as countries develop.

The investigation into whether the Labour Relations Act can regulate the management of strikes and the length thereof will be beneficial. Leading from this research, the investigation can be conducted and this will be informed by the research.

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Appendix A

Tier 1 Questionnaire

Round 1 Tier Questionnaire

1. How does or can collective bargaining curb the frequency of prolonged strikes?
2. What are the important aspects of negotiation process that supports the reduction of frequent prolonged strikes?
3. Which stakeholders are important for the effective bargaining process that enables reduced frequency of strike?
4. Can centralization or decentralization of collective bargaining reduce strikes? Can you elaborate
5. How does leadership play a role in the negotiation process?
6. Does union and society sophistication play a role in bargaining and reduction of strikes?

Tier 2 Questionnaire

Proposition	Question	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Choice of Bargaining Method	1. The introduction of an appropriate bargaining process will reduce the frequency of strikes					
	2. Allowing negotiations to take place at shop-level will reduce the frequency of strikes					
	3. Centralized Collective bargaining will reduce any risk of frequent and prolonged strikes					
	4. Ensuring that mutual understanding, trust and openness is create between parties will reduce the risk of strikes					
	5. Revision of regulations that govern bargaining processes will enhance the reduction of frequency of strikes in the future					
	6. It is important for employers to start negotiations when dead-lock has been met and attempt to swing power to their side					
	7. The choice of the bargaining process can decide the 'strike zone' whereby the labour unions decide to embark in a strike action					
Role of Negotiators	1. Ensuring that delegations, involved in the bargaining process, are conversant with the rules of engagement is critical					
	2. Inexperienced party leaders should be allowed or given the platform to lead negotiations					
	3. Government's role in the bargaining process is critical to ensure mediation during negotiations					
	4. ONLY recognised labour unions must be allowed to take part in the bargaining process					
	5. Negotiators must entertain only critical demands during negotiations and therefore neglect the smaller demands on the table					
	6. Keeping good relations between negotiators ensures that consensus is reach quicker at a 'win-win' state					
Role of Leadership	1. Leaders, both from employers and employees, influence the state of labour management during negotiations					
	2. Arrogant and Dictative leaders should not be allowed to lead negotiations					
	3. It is important to have a charismatic and motivative leader during negotiations					
	4. It is important for leaders of organizations and trade unions to treat negotiations as a continuous dialogue					
	5. Ethical leadership is critical in the bargaining process and will influence the morality of decision-making					
Role of Sophistication	1. The knowledge and understanding of economic impact due to posted demands is critical in the negotiation process					
	2. Human capacity development has an effect in the formulation of demands and the impact thereof					
	3. South African unions leadership has turned to be sophisticated and led the labour unions to follow suite					
	4. Globalization of labour markets have promoted labour sophistication which impact on the negotiation processes					
	5. Negotiators must guard against unrealistic demands bought about by the need of 'fancy' lifestyles					
Influence of External Parties	1. External influences, from political parties, should not be allowed to influence the negotiation spilit and decisions made					
	2. Societal influence should not be allowed to influence the bargaining processes and leading to strikes					
	3. Only directly affected parties, i.e. trade unions and employers, should be allowed to be part of the table-discussions during negotiations					
	4. Community leaders must be allowed to play a role in negotiations to enhance influence in the acceptance of decisions by communities					

Tier 3 Questionnaire

Question	More Likely	Likely	Not Likely
Enhancing capacity building of trade unions leadership within the bargaining sphere will promote reduction of frequent strikes			
Roles and Responsibilities clarity in the bargaining process will improve the labour dispute resolution process			
Ensuring that organizations transparency through employer-trade union dialogue will enhance the understanding of the business' economic position			
Increasing the power of the Labour Relations Act in the restriction of lengths of labour strikes will reduce the frequency of strikes			
The openness of organizations before and during the negotiations will reduce the need to satisfy unrealistic demands			
Introduction of administrative fines for parties involved in the bargaining processes will eliminate frequency of strike actions			
Holding labour unions responsible for the frequency of strikes, where agreements are in place, will eliminate strikes			
Holding employers responsible for failure to satisfy the agreed-upon demands will eliminate the need to re-work decisions and strike actions			
Applying stricter rules in the society and political party involvements in the labour negotiations will eliminate frequency of strikes			