

# Effect of Industrial Relations on Employees' Commitment in Nigerian National Petroleum Corporation (NNPC), Nigeria

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#### **Abstract**

The study assessed effect of industrial relations on employees' commitment in *Nigerian National Petroleum Corporation (NNPC)*, Nigeria. The study adopted a survey research design. The population of the study comprises 2820 staff of the Nigerian National Petroleum Corporation (NNPC) Corporate Headquarters, Abuja. The study used Taro Yamane to determine the sample size of 349 and the management staff of 26. The method of data collection used by this study was a questionnaire that was administered to the respondents. The statistical tools used are multiple regressions. The findings revealed that industrial relations have a positive and insignificant effect on employees' commitment in NNPC, Abuja, and industrial harmony has a positive and significant effect on employees' commitment in NNPC, Abuja while remuneration has a positive and insignificant effect on employees' commitment in NNPC, Abuja while remuneration has a positive and insignificant effect on employees' commitment in NNPC, Abuja. The study recommended that NNPC, Abuja headquarters should try to improve on their industrial relations tool such as collective bargaining to ensure that employees are committed to work since it has positive relationship. They should apply policies that will enhance employees' commitment in the aspect of industrial harmony. They should also improve on remuneration of the employees to ensure that employees are encouraged to be committed to their work.

Keywords: Industrial Relations, Industrial Harmony, Collective Bargaining, Employees' Commitment

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#### 1. Introduction

Industrial Relations is a set of organizational function and practices that deals with issues related to people such as staffing, compensation and benefits, performance management, organization development, health and safety, communication, and administration. Industrial Relations depend on the quality of relationship between the workers and their employers in an industrial setting. Every organization has some set objectives which it wants to achieve, and these objectives (high productivity, large market size and increased asset base) cannot be achieved without employees' commitment and cordial relationship between labour and management. Also, the problem of low employees' commitment in an organization occurs when there is no cordial relation between management and its workers; this brings about lack of understanding thereby preventing management and workers from achieving their goals.

Over the years, NNPC has had peaceful and harmonious working relationship in the organisation where employees and the employer give their best. The employer provide job for the employees, safe and good working tools, conducive environment, and should also pay reasonable wages to workers. This research carried out a pilot study to find out why workers are still not committed to work despite the employer's efforts at ensuring harmonious work environment.

The objective of this study is to examine the effect of industrial relations on employees' commitment in *Nigerian National Petroleum Corporation (NNPC)*, Nigeria. The specific objectives are stated as: to examine the effect of collective bargaining on employees' commitment in *Nigerian National Petroleum Corporation (NNPC)*, Nigeria and examine the effect of industrial harmony on employees' commitment in *Nigerian National Petroleum Corporation (NNPC)*, Nigeria.

The study focused on the effect of industrial relations on employees' commitment in *Nigerian National Petroleum Corporation (NNPC)*, Corporate Headquarters, Abuja, Nigeria. The study period is five years (from 2013–2019). The study used collective bargaining and industrial harmony as measure of industrial relations. Also, the study used affective commitment, continuance commitment and normative commitment as employees' commitment

The following Null hypotheses are stated in order to guide the study:

H<sub>01</sub>: there is no significant effect of collective bargaining on employees' commitment in *Nigerian National Petroleum Corporation (NNPC)*, Corporate Headquarters, Abuja, Nigeria

H<sub>02</sub>:there is no significant effect of industrial harmony on employees' work attitude in *Nigerian National Petroleum Corporation (NNPC)*, Corporate Headquarters, Abuja, Nigeria



# 2. Literature Review

## 2.1 Concept of Industrial Relations

Industrial relations, a term coined out of the historical circumstances of the British Industrial Revolution of the 18th and 19th centuries (Anyim, Ikemefuna & Ekwoaba, 2012) is a body of knowledge concerned with the systematic study of all aspects of the employment relationship (Fajana, 2006). Diverse terms like "capital-labour relations", 'industrial relations', 'employment relations', 'labour relations' and others like 'workplace relations' and 'employee relations' are rather loosely used interchangeably to mean the same (Venkata, 2006; IIRA, 2004). Michael (2005), defined that Employee Relations is to manage relationship between employer and employees with ultimate objectivity of achieving optimum level of productivity in terms of goods and services, employee motivation taking preventive measures to resolve problems that affect adversely the working environment.

Also, the expression 'industrial' is conceived in the broadest possible terms. It includes all environments where paid work is carried out, for example, shops, banks, hospital, etc, as well as manufacturing industry. The study of industrial relations is the study of job regulation. The term is used in two different senses, one all-inclusive, the other restricted to collective relations. Industrial relations, in the all-inclusive sense may be defined as all the relationship between management and employees in the community. In this sense, industrial relations cover relations between individuals at work, such as the individual employer and employee, together with relationships within and between work groups, sometimes known as 'Human Relations'; and also interaction between organized groups such as Trade Unions and Employers' Associations. The term covers formal relations, as evidenced in collective agreements and written work rules; and informal relations as characterized by informal agreements on the allocation of overtime, discipline and the distribution of work-loads and by the norms imposed by work groups on their own performance. In the restricted sense, industrial relations denote only collective relations between trade unions, or sections of them, and employers.

Industrial relations problem may arise at the level of the plant or workplace, as in the case of disputes over piece-rates or discipline; at the level of the firm, as in the case of 'national' wage rates in dispute between unions and an employer (or employer's association); and at the level of the economy, as where a government attempts to implement some form of income policy. Only recently have there been developed attempts to offer an integrated view over the whole complex of activity in this field and to produce theories of industrial relations; to set up industrial relations model; and to explain industrial relations in a company, an industry, or a country in terms of system. Such an attempt, explaining industrial relations as a system involving three groups of actors; workers and their organizations, managers and their organizations, and governmental agencies concerned with the work environment - creating and operating a system of rules of many kinds within an environment comprised of three interrelated contexts (the technology, the market or budgetary constraints, and the power relations and statuses of all the actors, bound together by understandings shared by the actors), is set out by John T. Dunlop. Kerr et al (1973) has made us realize that industrialization results in the managers' creation, workers' and labour union or organizations. This shows us that three different entities exist within an entity called organization, therefore, there should be co-existence and relating together and there must be disagreement, as such, there is need for check and balance

Who then creates and monitors the check and balance? How is it done? What are the sources of the disagreement among the said entities? Any benefit from such disagreement? Are all the disagreement bad and are they avoidable? These and other related things are all what the concept of industrial relations management is all about and I shall try to unveil it as much as I can. To start with, industrial relations was defined as "involving all formal and informal structures and processes, that relate to the making and administering of rules which regulate employment relationships" (Ahiauzu, 1999). We have other theorists of Industrial Relations like Dunlop, Flanders, Bain and Clegg; who had tried to explain Industrial Relations.

Industrial relations according to Ackers (2002) has three phases: science building, problem solving and ethical. In the science building phase, industrial relations is part of the social sciences and it seeks to understand the employment relationship, and its institutions through high-quality, rigorous research. In problem solving phase, industrial relation seeks to design policies and institutions to help the employment relationship work better. In the ethical phase, industrial relations contains strong normative principles about workers and the employment relationship, especially the rejection of treating labour as a commodity in favour of seeing workers as human beings in democratic communities entitled to human right (Kaufman, 2004).

In similar vein, Stephen and Budd (2009) posit that the term industrial relations refers to the whole field of relationship that exists because of the necessary collaboration of men and women in the employment process of modern industry. It is that part of management which is concerned with the management of enterprise —whether machine operator, skilled worker or manager. It deals with either the relationship between the state and employers and workers' organization or the relation between the occupational organization themselves (Budd and Bhave, 2008). Industrial relations involve a coherent approach to the problem of motivating and controlling employees, of handling grievances and conducting relationship with organized labour (Poole, 1986).

Rose (2008) defines industrial relations as the study of the regulation of the employment relationship between



employer and employee, both collectively and individually, and the determination of both substantive and procedural issues at industrial, organizational and workplace levels. Sharing the same sentiments, Macdonald (1997) posits that, "IR" may be defined as the means by which the various interests involved in the labour market are accommodated, primarily for the purpose of regulating employment relationships. Additionally, Macdonald (1997) argues that, IR is essentially collectivist and pluralist in outlook. In light of the aforementioned, industrial relations is a system which comprises of the employees, employers and the state in which they collectively work to attain and achieve the organization goals. The system is controlled by rules, ideologies and external environment.

Armstrong (2006) describes industrial relations as a system of regulations and rules; such that there exist the development, negotiation and application of formal procedures, rules and systems for collective bargaining, regulating employment and handling disputes. Anyim, Ikemefuna and Ekwoaba (2012) argued that definitions such as the foregoing, concede that industrial relations is concerned with the systems, rules and procedures used by unions and management to determine the reward for effort and other conditions of employment to protect the interests of labour and management and to regulate the experience of labour in the hands of management. It must be emphasized that apart from the decisive influence which industrial relations wield in the area of the supply of goods and services, and the obvious impact on human values in the work environment, the scope and content of industrial relations also cover national issues such as fuel scarcity, bad roads, power failure, inflationary trends, armed robbery, terrorism etc. (Anyim, Ikemefuna & Ekwoaba, 2012). According to Armstrong and Taylor, (2014), collective bargaining is the establishment by negotiation and discussion of agreement on matters of mutual concern to employers and unions covering the employment relationship and terms and conditions of employment. It therefore provides a framework within which the views of management and unions about disputed matters that could lead to industrial disorder can be considered, with the aim of eliminating the causes of the disorder. According to Cole (2005), the process of negotiating collective agreement does not occur in a vacuum. The aim of the process, is to achieve a workable relationship with management, founded on mutual respect, in which tangible benefits are realized on agreed terms and not just on management's whim. Collective bargaining is at the heart of trade unionism and industrial relations.

Industrial harmony refers to a friendly and cooperative agreement on working relationships between employers and employees for their mutual benefit (Otobo, 2005; Osad &Osas, 2013). According to Puttapalli and Vuram (2012), industrial harmony is concerned with the relationship between management and employees with respect to the terms and conditions of employment and the work place. In effect, it is a situation where employees and management cooperate willingly in pursuit of the organization's aims and objectives. Industrial harmony, in its ideal form, presupposes an industry in a condition of relative equilibrium where relationship between individuals and or groups are cordial and productive. Sayles and Strauss (2009), assert that with the inevitable differences among groups within an organization, conflict and differing objectives permeate modern organizations.

# 2.2 Concept of Employee Commitment

Akintayo (2010) defines employee commitment as the degree to which an employee feels devoted to his or her organization. In this sense, employee commitment reflects the attitude of an employee towards an organization (Zhen, Sharan & Wei, 2010). Team members' commitment is generally described as a working condition, that if achieved can sustain team effectiveness and contribute to high organizational performance. Three kinds of commitment are identified by Klan, Ziauddin and Ramay (2010) namely, affective commitment, continuance commitment and normative commitment.

Affective commitment refers to the employee's emotional attachment to, identification with, and involvement in the organization. In traditional, ongoing employment relationships, a high level of affective commitment has been found to be related to low employee turnover, low absenteeism and improved job performance hence employees with a strong affective commitment continue employment with the organization because they want to do so (Wang, 2010).

Affective commitment refers to an employee's emotional attachment to, involvement in, and identification with the organization and its goals. Affective commitment involves three aspects such as the formation of an emotional attachment to an organization, identification with, and the desire to maintain organizational membership. In this context, affective commitment reflects the identification and commitment situation where the employees stay in the organization at their own will (Allen & Meyer, 1990). Coetzee, (2005) pointed out that affective commitment is related with work attitude and positive feelings about their organization. The work attitude is related with how employees view the organization and this attaches them to the institution. According to Lee (2010), affective commitment is associated with employee personal characteristics, organizational features, experiences about the work and job characteristics.

Continuance commitment is a commitment situation originating from the needs of employees to stay in the organization considering the costs of leaving. It refers to an awareness of the costs associated with leaving the organization as well as the willingness to remain in an organization because of the investment that the employee has with "non-transferable" investments. Non-transferable investments include things such as retirement,



relationships with other employees, or things that are special to the organization (Allen & Meyer, 1990). Continuance commitment also includes factors such as years of employment or benefits that the employee may receive that are unique to the organization (Hunt & Morgan, 1994).

According to Lee (2010), normative commitment is a feeling of obligation that an individual has to continue with the employment. It arises from an employee's obligations and personal values that the person feels towards the organization. Coetzee (2005) emphasizes that employees with a high level of normative commitment feel that they ought to remain with the organization. The feeling of obligation to stay in the organization may come about due to the internalization of normative pressures exercised on an employee before joining the organization (Muncherji & Dhar, 2011). Price (2011) observed that normative commitment may arise when employees are provided with rewards in advance by an organization.

#### 2.3 Control Variable

Remuneration involves compensating employees. Reward refers to all the monetary, non-monetary and psychological payments that an organization provides for its employees in exchange for the work they perform. Reward (or compensation) management is a core facet of the employment relationship. An organization can provide two types of reward: extrinsic and intrinsic (Armstrong, 2008). The mix of extrinsic and intrinsic rewards provided by the employer is termed as the reward system. The monetary or economic element of the reward system is the formal and informal mechanisms by which employee performance is defined, evaluated and rewarded.

## 2.4 Empirical Studies

Sawithri, Nishanthi and Amarasinghe (2018) studied the impact of line manager relationship and trust with senior management on employee commitment with reference to Ceylon Electricity Board (CEB) in Sri Lanka. The study is of deductive in nature. Primary data have been collected through a structured questionnaire using a random sample of CEB including 86 assistant level employees where data were obtained from 54 respondents. According to the results of the study, it shows a high positive impact of the line manager relationship and trust in senior management on employee commitment at CEB which directly relates with productivity

Gayani and Prasadini (2018) examined the association between industrial relations climate, dual commitment and intention to quit the organization and union of operational level employees in food and beverage industry in Sri Lanka. For the purpose of data collection, three large scale highly unionized organizations in food and beverages industry have been selected. A structured 7-point Likert scale questionnaire was administered to collect data from a randomly selected sample of 135 operational level employees representing all firms. Unit of analysis was at individual level. Scores obtained separately for organizational commitment, union commitment, industrial relations climate and intention to quit. Correlation was used to test the hypotheses of the study. A significant positive correlation between the organization commitment and union commitment was evidenced with the existence of dual commitment. Industrial relations climate positively related with organization and union commitment. Both organization and union commitment negatively correlate with intention to quit the organization.

# Dunlop's (1958) Systems Model

This research is guided by the Dunlop's Systems Model (1958)

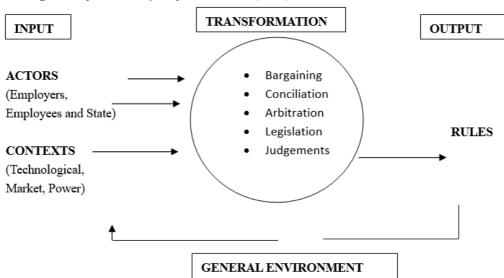


Figure 1; Source: Singh and Singh (2011)

Dunlop (1958) developed the systems model of industrial relations as a tool for organizations to use in



assessing the impact of industrial relations in organizations; and the model consists of three categories which are the inputs, transformation and output. The input category contains two kinds of inputs which are; the three actors of industrial relations which are the employers, employees, and the state and the contexts in which industrial relations is contained which include the technological, market and power aspects among them. These actors and their organizations are located within an environment – defined in terms of technology, labour and product markets - and the distribution of power in wider society as it impacts upon individuals and the workplace. Within this environment, actors interact with each other, negotiate and use economic/political power in process of determining rules that constitute the output of the industrial relations system. He proposed that the three parties are the key actors in a modern industrial relations system. He also argued that none of these institutions could act in an autonomous or independent fashion; instead, they were shaped, at least to some extent, by their market, technological and political contexts.

The Dunlop's model gives great significance to external or environmental forces in which management, labour, and the government possess a shared ideology that defines their roles within the relationship and provides stability to the system. Thus, the system depicts that industrial relations bears an important role for an organization to score high. Basically, the system should contain an ideology, environment, rules and actors; a system bears whether the organization will make impressive outputs and or a downward input. It is a system which bears whether employees espouse loyalty, satisfaction, commitment and also performance.

# 3. Methodology

The study adopted a survey research design. The justification is that the survey method allows the collection of significant amount of data in an economical and efficient manner. The population of the study comprises of 2820 staff of the Nigerian National Petroleum Corporations (NNPC) Corporate Headquarters, Abuja. The study will use Taro Yamane of 1967 to determine the sample size of this study. However, the sample size is derived from this formula:

$$n = \frac{N}{1 + Ne^2}$$

Where:

calculated sample size n

N Population Size

Degree of accuracy (5%), expressed as a proportion (0.05); It is margin of error

Substitution of the population in the sample size formula:

$$n = \frac{2820}{1 + (2820) \times (0.05)^2}$$

$$= \frac{2820}{1 + (2820) \times (0.0025)}$$

$$= \frac{2820}{8.08}$$

$$= 349$$

Therefore, the sample size for this study is 349.

The simple random sampling technique is adopted with a view to give every member of the population an equal chance of being selected. The study employed a structured questionnaire to obtain responses from the respondents. A five-point Likert scale questionnaire was designed to elicit information from respondents. The questionnaire is divided into two sections, that is, the industrial relations related questions and employee commitment in NNPC related questions. The questionnaire will be administered randomly. The questionnaire will be administered to management staff and other staff of NNPC. Respondents filled and returned the completed questionnaire. Though, Management staff answered questions on employee commitment while the senior and junior staff answered questions related to industrial relations. The completed questionnaires were collated and used for the analysis using regression. The independent variable is industrial relations which is proxy by collective bargaining and industrial harmony while employees' commitment is proxy by affective commitment, continuance commitment and normative commitment. Remuneration is a control variable used in the study. The regression model is estimated using SPPS statistical package version 20 that has the capacity to answer question on how fit a model is, given a set of variables. It is a software tool used when computing primary data or information obtained from questionnaire. The output of regression result shows whether there is linear relationship between the variables. Also, the output will show the t-statistics, standard error value, f-statistic value and p-value for the coefficient which will result in either rejection or failure to reject the null hypothesis. The p-value which will be the probability of getting a result that is at least as extreme as the critical value will help in accommodating the error factors in this research. The co-efficient of determination (R<sup>2</sup>) is also revealed. This measured the proportion of the dependent variable that has been explained by the regression model. The range R<sup>2</sup> varies between 0%- 100%.



It is therefore useful that when the value of  $R^2$  is closer to 100%, it shows that more independent variables explain the variation in dependent variable capture in the hypotheses and the level of significance is 5%.

The model is stated as follows:

Where EC = employees' commitment

 $\alpha$  is the intercept  $\beta$ 1,  $\beta$ 2,  $\beta$ 3 and  $\beta$ 4 are the parameters to be estimated as the independent variable and as such collective bargaining (CB), industrial harmony (IH) and Remuneration is represented with (RU).

#### 4. Data Analysis and Discussion

Table 1: Assessment of Collective Bargaining in Nigerian National Petroleum Corporation (NNPC) Abuja Source: Survey, 2020

Items	5	4	3	2	1
	SA	A	UN	SD	D
Nigerian National Petroleum Corporation (NNPC) Abuja provides a framework for effective collective bargaining	67(19.20)	128(36.68)	89(25.50)	45(12.89)	20(5.73)
Nigerian National Petroleum Corporation (NNPC) Abuja always use discussion method to resolve conflict	90(25.79)	82(23.50)	84(33.73)	53(15.19)	40(11.46)
Nigerian National Petroleum Corporation (NNPC) Abuja always use Negotiation as a method of collective bargaining to resolve industrial conflict	78(22.35)	88(25.21)	57(16.33)	49(14.04)	59(16.91)

From the above table, it was discovered that majority of the respondents strongly agreed (19.20%) and agreed (36.68%) to the statement that Nigerian National Petroleum Corporation (NNPC) Abuja provides a framework for effective collective bargaining. 12.89% strongly disagreed and 5.73% disagreed with the said statement while only 25.50% were undecided.

It also revealed that the majority of the respondents, 25.79% and 23.50% strongly agreed and agreed respectively that Nigerian National Petroleum Corporation (NNPC) Abuja always used discussion method to resolve conflict. 15.19% and 11.46% strongly disagreed and disagreed respectively, while only 33.73% were undecided.

It also recorded the majority of the respondents 22.35% and 25.21% strongly agreed and agreed respectively that Nigerian National Petroleum Corporations (NNPC) Abuja always used Negotiation as a method of collective bargaining to resolve industrial conflict. 14.04% and 16.91% strongly disagreed and disagreed respectively, while 16.33% were undecided.

Table 2: Assessment of Industrial Harmony in Nigerian National Petroleum Corporation (NNPC) Abuia

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Items	5	4	3	2	1				
	SA	A	UN	SD	D				
Nigerian National Petroleum Corporation	101(28.94)	78(22.41)	89(25.50)	56(16.05)	25(10.04)				
(NNPC) Abuja employees and management									
cooperate willingly in pursuit of the									
organization's aims and objectives									
Nigerian National Petroleum Corporation	99(28.37)	110(31.52)	55(15.78)	49(14.04)	36(10.32)				
(NNPC) Abuja employees and management									
have friendly relationship with dealing with									
organizational task									
Nigerian National Petroleum Corporations	90(25.79)	105(30.09)	44(12.61)	61(17.49)	49(14.04)				
(NNPC) Abuja working conditions enable the									
employees and management to have a good									
work relationship									

Source: Survey, 2020

From the above table, it was discovered that majority of the respondents strongly agreed (28.94%) and agreed (22.41%) to the statement that Nigerian National Petroleum Corporation (NNPC) Abuja employees and management cooperate willingly in pursuit of the organization's aims and objectives. 16.05% strongly disagreed and 10.04% disagreed with the said statement while only 25.50% were undecided.

It also revealed that the majority of the respondents, 28.37% and 31.52% strongly agreed and agreed respectively that Nigerian National Petroleum Corporation (NNPC) Abuja employees and management have friendly relationship with dealing with organizational task. 14.04% and 10.32% strongly disagreed and disagreed



respectively, while only 15.78% were undecided.

It also recorded the majority of the respondents 25.79% and 30.09% strongly agreed and agreed respectively that Nigerian National Petroleum Corporation (NNPC) Abuja working conditions enable the employees and management to have a good work relationship. 17.49% and 14.04% strongly disagreed and disagreed respectively, while 12.61% were undecided.

Table 3: Assessment of Remuneration in Nigerian National Petroleum Corporations (NNPC) Abuja

Items	5	4	3	2	1
	SA	A	UN	SD	D
Nigerian National Petroleum Corporation (NNPC) Abuja used individual-based plan as remuneration method to compensate the	91(26.07)	89(25.50)	62(17.76)	41(11.73)	66(18.91)
employees					
Nigerian National Petroleum Corporation (NNPC) Abuja always adopted pay-by-result as remuneration package for employees	110(31.52)	99(28.37)	51(14.61)	47(13.47)	42(12.03)
Nigerian National Petroleum Corporation (NNPC) Abuja frequently applied performance-related pay as remuneration package for employees	101(28.94)	111(31.81)	38(10.89)	51(14.61)	48(13.75)

#### Source: Survey, 2020

From the above table, it was discovered that majority of the respondents strongly agreed (26.07%) and agreed (25.50%) to the statement that Nigerian National Petroleum Corporation (NNPC) Abuja used individual-based plan as remuneration method to compensate the employees. 11.73% strongly disagreed and 18.91% disagreed with the said statement while only 17.76% were undecided.

It also revealed that the majority of the respondents, 31.52% and 28.37%% strongly agreed and agreed respectively that Nigerian National Petroleum Corporation (NNPC) Abuja always adopted pay-by-result as remuneration package for employees. 13.47% and 12.03% strongly disagreed and disagreed respectively, while only 14.61% were undecided.

It also recorded the majority of the respondents 28.94% and 31.81% strongly agreed and agreed respectively that Nigerian National Petroleum Corporation (NNPC) Abuja frequently applied performance-related pay as remuneration package for employees. 14.61% and 13.75% strongly disagreed and disagreed respectively, while 10.89% were undecided.

Table 4: Assessment of Employees' Commitment in Nigerian National Petroleum Corporation (NNPC) Abuia

<u> </u>					
Items	5	4	3	2	1
	SA	A	UN	SD	D
Employees frequently have emotional attachment to	10(38.46)	7(26.92)	2(7.69)	4(15.38)	3(11.54)
their work in NNPC, Abuja					
Employees are aware of the cost associated with	7(26.92)	9(34.62)	3(11.54)	5(19.23)	2(7.69)
leaving NNPC which made them to be committed					
Employees have a good obligation and personal	8(30.77)	10(38.46)	2(7.69)	4(15.38)	2(7.69)
values to remain in the organization			, ,		

# Source: Survey, 2020

From the above table, it was discovered that majority of the respondents strongly agreed (38.46%) and agreed (26.92%) to the statement that employees frequently have emotional attachment to their work in NNPC, Abuja. 15.38% strongly disagreed and 11.54% disagreed with the said statement while only 7.69% were undecided.

It also revealed that the majority of the respondents, 26.92% and 38.46%% strongly agreed and agreed respectively that employees are aware of the cost associated with leaving NNPC which made them to be committed. 19.23% and 7.69% strongly disagreed and disagreed respectively, while only 11.54% were undecided.

It also recorded the majority of the respondents 30.77% and 31.81% strongly agreed and agreed respectively that employees have a good obligation and personal values to remain in the organization. 15.38% and 7.69% strongly disagreed and disagreed respectively, while 7.69% were undecided.



**Table 5: Descriptive Statistics** 

## **Descriptive Statistics**

	N	Minimum	Maximum	Mean	Std. Deviation
EC	26	1.00	5.00	3.6538	1.38397
CB	349	1.00	5.00	3.3926	1.38881
IH	349	1.00	5.00	3.1461	1.46761
RU	349	1.00	5.00	3.3037	1.61513
Valid N (listwise)	26				

#### Source SPSS version 20.00

Table 5 revealed the result of descriptive statistics which indicated the mean and standard deviation as well as the minimum and maximum value of the variables. The mean value of employees' commitment (EC) is 3.65, the mean value of collective bargaining (CB) is 3.39, the mean value of industrial harmony (IH) is 3.14 and the mean value of remuneration (RU) is 3.30. The table also recorded the standard deviation of the variables.

**Table 6. Regression Analysis** 

**Model Summary** 

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
1	.803ª	.645	.636		.84922

a. Predictors: (Constant), RU, IH, CB

## **ANOVA**<sup>a</sup>

Mode	el	Sum of Squares	df	Mean Square	F	Sig.
	Regression	150.712	3	50.237	69.661	.000 <sup>b</sup>
1	Residual	82.935	115	.721		
	Total	233.647	118			

a. Dependent Variable: EC

b. Predictors: (Constant), RU, IH, CB

#### Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
L		В	Std. Error	Beta		
I	(Constant)	-11.522	1.459		-7.897	.000
	CB	.500	.403	.131	1.241	.217
1	IH	2.130	.313	.637	6.806	.000
L	RU	.500	.390	.094	1.281	.203

a. Dependent Variable: EC

Source: econometric output, 2020

#### 5. Conclusion

The challenge of industrial relations is multi-faceted and indeed global. The present economic reality arising from the corona virus (covid 19) pandemic affects employees' commitment in NNPC by reason of reduction in the organization's earnings as a result of downward dive of crude oil prices globally. Thus, the collective bargaining power of the employees through their representatives is reduced and this could pose a threat to the industrial harmony in the organization. This study however concluded that industrial relations has a positive and insignificant effect on employees' commitment in NNPC, Abuja. Other findings were that collective bargaining has a positive and insignificant effect on employees' commitment in NNPC, Abuja, industrial harmony has a positive and significant effect on employees' commitment in NNPC, Abuja while remuneration has a positive and insignificant effect on employees' commitment in NNPC, Abuja while remuneration has a positive and insignificant effect on employees' commitment in NNPC, Abuja

# 6. Recommendations

The study recommended that:

NNPC, Abuja headquarters should try to improve on their industrial relations tool such as collective bargaining to ensure that employees are committed to work since it has positive relationship. They should apply policies that will enhance employees' commitment in the aspect of industrial harmony. They should also improve on remuneration of the employees to ensure that employees are encouraged to be committed to their work.

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