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A study of conflict resolution mechanisms and employment relations in multinational corporations in Africa: Empirical evidence from Nigeria and South Africa

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Orientation: When it comes to employment relations, a strong and effective conflict resolution mechanism (CRM) is critical for achieving industrial tranquillity and collaboration among social partners.

Research purpose: This study evaluated the usefulness of CRMs in employment relations at a large multinational company (MNC) in Nigeria and South Africa.

Motivation for the study: Negotiating and dialoguing about employment relations must be an integral part of CRMs in order to alleviate disharmony in employment relations.

Research method: This study used a survey methodology for non-experimental descriptive research. A mixed method of data gathering was used for this study, that is, quantitative and qualitative data collection. Approximately 400 questionnaires were sent to participants in the organisations, 200 each from Nigeria and South Africa. The survey also involved 20 respondents who were interviewed online. A total of 383 participants were included in this study.

Main findings: Study results showed that the CRM worked better in South Africa than those in Nigeria. South Africa, based on a comparative review of the study, may have one of the most advanced systems for resolving industrial conflicts on the African continent.

Practical implication: An effective approach to conflict resolution can help prevent negative outcomes of organisational dispute.

Contribution: The study's findings contribute to harmonious, non-violent, non-disruptive conflict resolution practices in the workplace.

Keywords: conflict resolution mechanisms; employment relations; multinational enterprises; labour legislative framework; labour law.

Introduction

It is a fundamental principle of all work relation systems that labour disputes exist (ILO, 2001). In most cases, they result from collective bargaining reaching a breaking point resulting in industrial action, such as strikes or lockouts, if they are not resolved. A decent labour relations policy involves the establishment of a legal system for preventing and resolving labour disputes (ILO, 2001). As is often the case, the conflict between parties to a relationship arises from divergent interests and differing objectives (Venter, 2003, p. 383).

The economic development of any country requires a stable system of settling employment, labour and labour relations disputes. It will be crucial for countries such as Nigeria to implement a constructive system of dispute resolution so that disputes may be resolved effectively and expeditiously, this is of even greater importance for workplace industrial democracy. The labour and industrial relations issues in a country like Nigeria are not promptly resolved when they arise or there is no cordial relationship between employer and employee. Such a country would be impossible for a foreign investor or multinational company (MNC) to invest in, such as Nigeria. (Odion, 2010, p. 6). The state cannot remain a helpless spectator in labour relations and welfare despite its ever-increasing interest. To resolve these conflicting interests in labour-management relations, it is the state's responsibility to come up with legislation (Ahmed, 2014, p. 29).

The term Multinational enterprise (MNE) or MNC also refers to a transnational corporation (TNC). This article uses both nomenclatures interchangeably. Globalisation also serves as a template within which MNCs operate. As such, foreign trade and foreign direct investment (FDI) are the mechanisms through which MNCs manifest themselves. Multinational enterprises and MNCs deploy their technological, financial and infrastructure resources around the world through globalisation. Multinational corporations do not move into a country and then operate in an abyss. The employment relations climate in a host country has a particularly significant bearing on them. The mechanism for conflict resolution in labour legislation is an example of this influence (Burton et al., 1994; Richard, 2007; Tyler, 1993).

Labour relations in host countries are also affected by MNEs' operations (Zhao, 1998). It is possible for MNEs to influence not only the employment relationship environment but also labour law and policy in the host country (Frenkel & Peetz, 1998; Stopford, 1998). In the case of a MNE that fails to adhere to the employment laws of its host country, how does the government go about sanctioning them? How are such transgressions dealt with according to the legislative framework of the host nation? These issues are sometimes difficult to regulate because governments lack the pre-existing mechanisms (Allen-ILE & Olabiyi, 2019).

As a result, labour standards need to be established. In that context, labour's 'standard' refers to how the government has outlined the quality of employment relationships that each party must maintain and how they should be managed. In employment standards and labour standards, a worker's treatment is usually the focal point. The standard applies equally to multinational and domestic enterprises (Allen-ILE & Olabiyi, 2019). Some multinational enterprises dislike high employment standards for reasons best known to them, and would like them to be lower. Are MNCs capable of subverting national employment standards? A variety of tactics can be employed by MNCs to evade this rule (Allen-ILE & Olabiyi, 2019). Multinational companies are not the only ones affected, as domestic workers are also affected. The Compensation for Occupational Injuries and Diseases Act, No 130 of 1993 (COIDA) provides for compensation for disablement caused by occupational injuries or diseases sustained or contracted by employees in the course of their employment, or for death resulting from such injuries or diseases. In relation to South Africa.

The labour legislation regime in South Africa, for instance, is rigid and aggressively protects workers' rights. Employers, including multinational corporations, have criticised the labour standards being followed in South Africa. Labour Relations Act (LRA) Number 66 of 1995, as amended, contains rules and procedures for resolving disputes, which may seem onerous, time-consuming and expensive for employers. Multinational enterprises are reportedly hesitant to invest in South Africa for this reason (Allen-ILE & Olabiyi, 2019).

A workplace dispute resolution mechanism may be used by unscrupulous employers to circumvent the labour relations system, according to the prevailing labour standard. To resolve disputes between the parties, the process, for instance, outlines specific steps that need to be followed. Moreover, the LRA clearly stipulates that unions or workers must follow procedural requirements before engaging in industrial action (Allen-ILE & Olabiyi, 2019). Strikes must be protected strikes and require notification from the union or workers requesting the right to strike. Employer does not need to agree to the strike and most employers will never accept this risk. Strikes are costly for both employers and employees, causing loss of production and loss of income. Strikes are only permitted if the issues in dispute cannot be resolved through conciliation and arbitration. This means that they may only strike on issues of mutual interest between the parties and the dispute must be referred to the Commission for Conciliation Mediation and Arbitration (CCMA) or Bargaining Council (BC). The CCMA and BC issues the certificate on the right to strike. The Union must then advise the employer on the date when the strike will commence. However, Nigeria does not have a similar framework as South Africa. A framework currently does not cover or apply to public sector employees.

The MNE can exploit the fact that workers in Nigeria are unprotected by Nigerian labour law if it extends its operations into Nigeria directly or indirectly. Studying how MNEs affect labour relations policy and local law in the two given scenarios provides the background for this study (Allen-ILE & Olabiyi, 2019). During this study, a multinational corporation with operations in Nigeria and South Africa was evaluated and its conflict resolution mechanisms (CRMs) were examined for effectiveness. Various strategies for addressing discords between employers and unionised groups of workers are discussed in this article, including methods of applying and interpreting collective bargaining mechanisms.

Objectives of the study

A paradigm shift is necessary to address the issue of whether industrial conflict must be understood at its source or cause before it can be handled properly even in the presence of a comprehensive framework to alleviate it. In order to carry out this study, it was important to understand why CRMs work in one environment or country, but not another. The majority of countries and organisations have not yet adopted nor implemented best international practices of labour laws that ensure the safety and well-being of workers at work. In many African employment relations environments, the nature of dispute resolution mechanisms proves ineffective for resolving industrial conflicts. Government influence has undermined the integrity of CRMs and questioned the integrity of settlement institutions, as a result of its overbearing and domineering influence. It can be said that a country such as Nigeria still has outdated mechanisms for promoting industrial harmony among the various actors in the industrial relations arena. Usually, this approach produces unsuccessful results, as indicated by the persistence of industrial action across different sectors of society, which suggests an unhealthy state of labour relations.

General objective

This study aimed to compare the effectiveness of CRMs used to resolve industrial conflicts within South Africa's and Nigeria's employment relations environments.

Objectives specific to the study

1. To evaluate how multinational corporations, adapt to the diversity of labour relations climates in host countries
2. To determine how effective the mechanisms for conflict resolution built into both MNCs' and host countries' conflict resolution processes are.

Literature review and theoretical analysis

The concept of multinational companies

Frequently, MNCs do not exercise their operations without showing some influence in public policy or labour relations law that governs their operations in the host environment. There is a consensus that MNCs are generally comfortable and accustomed to the mechanisms put in place for solving labour disputes within the environment they come from. It is not unusual for multinational corporations, however, to seek to circumvent the employment relationship regulation mechanisms. Circumventing rigid and highly regulated labour laws is one way to accomplish this. Circumventions of this kind adversely affect their profit motives. A globalised society strongly supports the growth of MNCs thanks to economic liberalism and free markets.

Markets are created as individuals behave rationally to maximize their own benefits, according to economists. Whenever there is no government interference, the interests of individuals are best served. In turn, this maximises international wealth by facilitating the free exchange of goods and services (Mingst, 2014, p. 310). The multinationals are usually referred to as the vanguard of the liberal order by economic liberals (Mingst, 2014, p. 311). An interdependent world economy is their embodiment par excellence of the liberal ideal. Through a process of internationalisation, they have gone beyond the integration of national economies. Gilpin (1975, p. 39) wrote that for the first time in history, production, marketing and investment are arranged on a global scale. As a result, international firms were not to be assimilated into national cultures, but instead create a global customer base. Managing and reshaping national attachments is vital to the creation of a global corporate village. National attachments were not denied, but their definition became more international (James, 1983, p. 63).

According to Doob (2013), MNCs are generally multinational corporations that operate in more than one country but provide goods and services all over the world. Multinational companies are large, and their worldwide activities are centralised at the headquarters. Corporations that have significant investments in foreign countries deal with or trade in goods and services there. Manufacturing facilities or assembly operations in foreign countries are established through the establishment of foreign buying and selling licenses, contract manufacturing agreements, and manufacturing facilities or assembly operations. International presence provides benefits to MNCs in many ways. By pooling buying power over suppliers, spreading R&D and advertising costs over global sales and utilising management know-how globally, companies can use economies of scale. In order to access under-priced labour services in developing countries, as well as foreign R&D capabilities (Eun & Resnick, 2017), companies can use their global presence to gain access to these underpriced services.

As multinational corporations are essentially stateless actors, moral and legal constraints must be applied to their behaviour. As part of a series of global socioeconomic problems developed in the late 20th century (Gary, 2004), this became a crucial issue. According to Business Week, a concept of 'stateless corporations' was coined as early as 1990 to explain society's governance limitations over modern MNEs. A conceptual clarification of the concept occurred in 1992 when one advocated using statistical tools at the intersection of demographic analysis and transportation research to define stateless corporations. A logistics management approach describes how quickly global mobility of resources has developed and is known as logistics management, as Holstein (1990) and Voorhees et al. (1992) defined it. Since the beginning of the study of multinational corporations, we have entered an era of stateless corporations, or multinational corporations that produce and customise products on a worldwide basis for individual countries (Holstein, 1990, p. 98). The East India Company, one of the first multinational business organisations, was established in 1600 (Medard & Bruner, 2003). For nearly 200 years after the East India Company was founded on 20 March 1602, the Dutch East India Company was the largest company in the world.

Through direct investments from overseas or the acquisition of local firms and establishment of subsidiaries, large multinational corporations have traditionally dominated national economies. The headquarters usually has the highest level of authority in terms of decision-making. Subsidiaries and branches may have their own decision-making bodies depending on their specific characteristics and operations, but all decisions must be subordinated to the highest decision-making centre. The goal of a multinational enterprise is to maximise profit by seeking markets worldwide, producing professional fixed-point products on a fixed-point basis and selling those products at fixed-point prices. Internationally, multinational corporations enjoy a competitive advantage because of strong economies, technical strength and fast information transmission. A number of large multinational corporations have monopolies based on their economic and technological strength or their production advantage in some areas.

A multinational corporation is referred to as a MNE by international economists and as a MNC by international

business analysts. Companies with multinational operations manage production facilities worldwide (Caves, 2007, p. 1). By investing directly in the host country's plants, MNEs avoid some transaction costs across borders by acquiring ownership and managing control of the plant (Caves, 2007, p. 69).

As opposed to traditional MNCs, TNCs have no national identity. The purpose of TNCs is to maintain a high level of local responsiveness by managing operations in many countries (Drucker, 1997, p. 167). For instance, Nestlé, which does not have a centralised headquarter, but instead places senior executives from different countries and makes decisions worldwide (Schermerhorn, 2009), is an example of a globally oriented company. Shell's registered office and main executive body are in London, United Kingdom, but the company's headquarters are in The Hague, Netherlands.

Corporations may be bound by the laws and regulations of both their countries of origin and domicile, as well as the additional jurisdictions in which they conduct business. Regulative statutes target 'enterprises' with statutory language for 'control', but after some time, the jurisdiction can become a burdensome law, depending on the circumstances (Blumberg, 1990). In most host countries, there are few laws governing employment that fully address the issues and challenges encountered by MNEs, allowing them to avoid complying with local laws regarding employment. Multinational enterprises have the potential to contribute to the economic growth of the host nation; however, one of the disadvantages associated with their presence as a force in the host country is the myriad of challenges they come with (Allen-ILE & Olabiyi, 2019).

Nigerian dispute and conflict resolution mechanisms/institutions

There are currently two mechanisms in place for resolving industrial disputes by the Nigerian Government: (1) Voluntary procedures: internal mechanisms and (2) Statutory procedures: external mechanisms. The stages of statutory dispute resolution procedures have been determined by the labour ministry following the failure of voluntary dispute resolution procedures. The following stages are involved:

1. Mediation/conciliation.
2. Arbitration.
3. Inquiry.
4. The National Industrial Court (NIC).

Section 4(1) of the *Trade Dispute Act* authorises the adoption of internal mechanisms to resolve trade (or labour) disputes. Therefore, parties to disputes must use existing dispute resolution mechanisms to resolve their disputes. By using this internal mechanism for dispute resolution, disputing parties determine how grievances will be resolved bilaterally. Some employers unilaterally create a dispute resolution process in their organisation that is binding, even though the internal dispute resolution procedure is set out in collective bargaining agreements (Sijuwade & Arogundade, 2016, p. 1):

1. **Mediation:** The mediation process involves using a neutral and impartial third party to facilitate or intervene between disputants. This is so that they can resolve their differences using options they agree with. Adeniji et al. (2014) concluded that mediation could be distinguished from negotiation as the mediator takes an active role in preserving the process, while the disputants determine the outcome or settlement.
2. **Conciliation:** An impartial third party intervenes to bring disputants together with the intent of resolving their differences. It is the goal of conciliators to facilitate communication between parties within seven days of the dispute/conflict being reported to them. A set of rules may not govern the procedure, as with negotiation. Rather than addressing a settlement directly, a conciliation may focus on exchanging information, identifying issues and deciding on options for resolution (Elliott, 2015).
3. **Industrial Arbitration Panel:** Arbitrators usually settle disputes in arbitration. For resolving disputes, courts appoint independent arbitrators. An arbitration agreement differs from a lawsuit in court, in which the judge makes an order against a person or company or against the government itself (Obi-Ochiabutor, 2010, p. 76). Upon referral by the minister, the Industrial Arbitration Panel (IAP) adjudicates industrial disputes between employers and employees as well as intra-union disputes. To arbitrate trade disputes, the Ministry of Labour established the Obi-Ochiabutor Commission (Obi-Ochiabutor, 2010, p. 76).
4. **Board of Inquiry:** An inquiry may be conducted by a Board of Inquiry into the causes and circumstances of a dispute. This is when a trade dispute exists or is anticipated by the minister in accordance with section 33 of the Act. An investigation must be conducted by the Board of Inquiry and its findings must be reported to the minister. It is unclear whether the minister is empowered to make a binding award based on the board's findings (Sijuwade & Arogundade, 2016).
5. **National Industrial Court:** As Nigeria's apex labour court for resolving trade disputes, the Trade Dispute Decree No. 7 of 1976 created the NIC. A quorum of the president and two members was initially composed of four members and the president. Trade union disputes and the interpretation of collective bargaining agreements were the primary jurisdictions of the court under Decree No. 7. During the period 1976–2006, the court's operations were limited and its judgements were rarely upheld. On most matters, it shares jurisdiction with both the state and Federal High Courts, such as those arising from arbitration or conciliatory labour disputes (Fagbemi, 2014).

South Africa's dispute and conflict resolution methods or institutions

Several acts provide the framework for grievances and dispute settlements in employment relations in South Africa, including the *Labour Relations Act* of 1995, Basic Conditions of Employment of 1997, *Employment Equity Act* of 1998 and *Skills Development Act* of 1998 (Saundry et al., 2008). These pieces of

legislation, together with their corresponding amendments form the basis for the application of labour laws in South Africa. Disputes of right are resolved by adjudication by Labour Courts or arbitration by private dispute resolution institutions or BCs under the *Labour Relations Act* of 1995. Prior to arbitration or adjudication, disputes must be conciliated:

1. **Commission for Conciliation, Mediation and Arbitration (CCMA):** A statutory dispute resolution body, the CCMA was established by the *Labour Relations Act*, 66 of 1995. The CCMA is an independent, non-partisan, non-trade union organisation, funded by the government, but not controlled by it (CCMA, 2018). Employers and employees dispute resolution is one of the primary functions of the CCMA. As part of its framework, the CCMA provides a flexible, cost-effective and constructive mechanism for the resolution of labour disputes in South Africa, emphasising mutual problem-solving rather than adversarial litigation (Venter, 2003, p. 383).
   A labour conflict is resolved through the CCMA, which has been established under the *Labour Relations Act*, *Employment Equity Act* of 1998 (EEA), Skills Development Act of 1998 and Unemployment Insurance Act of 2001 (UIF).
2. **National Economic Development and Labour Council (NEDLAC):** In an effort to increase legitimacy and transparency in socioeconomic decision-making, the NEDLAC was established on 18 February 1995. Government, business and labour, as traditional stakeholders in the tripartite relationship, form a social partnership. The community and its various representative bodies have already been included as a fourth partner. In matters of social and economic policy, consensus is reached through the council (Venter, 2003, p. 44).
3. **Conciliation:** As a result of the 2002 amendment to the LRA, more vulnerable workers were protected under labour law. Under the CCMA, all disputes relating to unfair dismissals must be referred to conciliation within 30 days, but unfair labour practices must be addressed within 90 days. A party whose referral period has expired must make an application for condonation to the CCMA to excuse the reason for his or her failure to refer the case promptly (CCMA, 2018).
4. **Arbitration:** Arbitration proceedings are more formal than conciliation. In the event that conciliation fails, either party can request arbitration from the CCMA. As soon as an arbitration request is received, a commissioner will be appointed by the CCMA. In most cases, the outcome is final after 14 days of the hearing or when a decision made by the commissioner. The outcome is binding on the parties and may be made into a Labour Court order (CCMA, 2018). A major purpose of the LRA of 1995 was to eliminate any appeal rights against arbitration awards rendered by commissions of the CCMA (Young, 2004). It was agreed that parties to arbitration proceedings could appeal the award within the Labour Courts if they were dissatisfied with the results (CCMA, 2018).
5. **Con-arb:** Conciliatory arbitration was institutionalised as another method of dispute resolution in the LRA by the 2002 amendments. An 'arbitration-conciliation' process is usually performed in one sitting, with the arbitrator proceeding to conciliation in the event of failure (CCMA, 2007). As with general conciliation and arbitration, con-arb is governed by the same rules. In the con-arb process, legal representation may be allowed during arbitration, but not during conciliation. Con-arb provides a rapid conciliation and arbitration process if individuals have been subjected to unfair labour practices or unfair dismissals, as described in Section 191(5A). It will allow conciliation and arbitration to be carried out simultaneously under this process. This process applies to dismissals resulting from probation or unfair labour practices related to probation (CCMA, 2018).
6. **Bargaining Councils (BCs):** The LRA establishes the functions and powers of BCs as joint employers and union bargaining institutions. To regulate relations between management and labour, the LRA promotes collective bargaining as one of its primary objectives. A dispute between them can be settled this way. In addition to settling disputes between parties, a BC is also responsible for resolving problems related to the collective agreements it negotiates and other statutory instruments it enacts (CCMA, 2007).
7. **Private Dispute Resolution Agencies:** A private dispute resolution agency specialising in labour disputes of significance was established in South Africa with the Independent Mediation Service of South Africa (IMSSA). As a result of its establishment in 1984, it has provided mediation and arbitration services since then as they are more expeditious, informal and less adversarial than traditional courts (Bosch et al., 2004). As IMSSA closed its doors in 2000, the Tokyo Dispute Settlement stepped in to fill the void left by it.
8. **Labour Courts:** As a superior court of law and equity, the Labour Court was established by the *Labour Relations Act* of 1995. Venter (2003) compared it with a South African provincial division of the Supreme Court, as it has similar powers and status. Disputes relating to contracts, Basic Conditions of Employment Act (BCEAs) or Employment Equity Act (EEAs) can be heard by the Labour Court without conciliation first. Strikes and lockouts can be prevented without prior conciliation (Cheadle, 2006).
9. **Labour Appeal Court:** With the same powers and duties as the Appellate Division of the Supreme Court, the court is a final appeal court in labour disputes. There will not be many cases referred to this Labour Court. In response to complex labour issues, the LRA established Labour Courts. There are not enough high-calibre labour law judges in the South African Labour Courts. Therefore, some acting judges do not have any experience in labour law (Benjamin, 2006; Cheadle, 2006; Roskam, 2006).

Examining the fundamentals of Dunlop's industrial relations system

The multidimensional nature of MNEs prompted this study to use the time-tested Industrial Relations System (IRS) Theory developed by Dunlop (1958). As Dunlop (1958, p. 7) and

subsequently Otobo (2002) illustrated, labour relations are defined as a system of actors, contexts and ideologies that serve as a platform for the IRS and governing rules for managers.

The concept of an IRS is based on structural/functionalist approaches to social systems (societies). This also refers to sociologically organised, hierarchical or sociologically structured social systems (Haferkamp & Smelser, 1992). Research in this area has determined that this theory is most relevant for studying the interplay between dispute resolution mechanisms and the role of multinationals in influencing employment relations because of the matrix of correlations among the variables involved (multi-country analysis, fluid nature of multinationals, multiple levels of dispute resolution mechanisms). According to Dunlop:

- **Certain Actors:** Managers, workers and their spokesmen make up the hierarchy of labour relations systems, whereas workers (non-managerial) make up the hierarchy. For dealing with workers, enterprises, and their relations, the first two actors established specialised agencies.
- **Certain Contexts:** In labour relations, such contexts encompass the larger environment in which workers, employers, and governments interact, making their conduct and rules more complex.
- **Certain Ideology:** The concept refers to a set of beliefs and ideas shared by the actors that bind the system together. In an IRS, each actor has an ideology, according to Otobo (2000, p. 28). Dunlop insists on the need for these ideologies to be compatible or consistent enough to permit a common set of ideas that acknowledges an acceptable role for everyone. In Dunlop's view, actors in the IRS must hold the same ideology.
- **Certain Set of Rules and Regulations:** Workplace rules are established by actors in particular contexts. Interactions between actors are governed by their rules. The parties are governed by a 'web of rules', according to Dunlop. As well as their substantive rules and application procedures, the rules are governed by a web of procedures for setting them. An IRS begins with the implementation of procedures and rules – procedures are themselves rules. The primary function of industrial relations is to establish and implement these rules in society's industrial organisation. Changing contexts and the status of actors may result in changes in rules over time. A dynamic society is one where the rules and their administration are constantly re-evaluated.

Dunlop's theory has been examined in numerous ways, which are beyond the scope of this study, except to acknowledge that the theory was deemed helpful in contextualising the role of industrial relations in appraising dispute or CRM in employment relations. A question that may have to be addressed eventually, but not necessarily in this study, is: what are some of the factors inhibiting compliance with the Dunlop framework? The focus of this study is solely on the role that MNEs play in adhering to these 'body of rules' as reflected in their involvement in conflict resolution.

Methodology

A non-experimental descriptive research design and survey methodology were employed to conduct this study. This study was carefully designed to gather substantive information about the topic under investigation, namely how CRMs are employed within two MNCs in Nigeria and South Africa. Mixed methods of quantitative and qualitative data collection were used to achieve this. About 400 copies of an online questionnaire were sent to employees and HR professionals at a MNC in Nigeria and South Africa about CRMs. In addition, a qualitative data collection method has also been applied by conducting an online interview for the top management of the MNCs that includes 10 senior top HR/organisational executives in each country, which represents 20 top executives for the qualitative data collection.

Prior to the distribution of questionnaires to the two MNCs in South Africa and Nigeria, correspondence was sought concerning the process of data collection in their countries. It was requested that correspondence be exchanged concerning the process of gathering data in their countries. Email and telephone conversations with the respondent helped to decide how the question should be answered on-line.

The questionnaires were therefore distributed electronically to 200 rank-and-file employees of the multinational firm in South Africa. A total of 186 of the 200 questionnaires sent out for administration were validly completed and returned.

A MNC in Nigeria also received the same questionnaires via email. In addition, there have been 200 questionnaires distributed electronically via Google Forms (Alphabet, Inc., Mountain View, California, United States) to respondents via their email, and 177 genuine responses were obtained from those questionnaires. Respondents from South Africa and Nigeria completed 363 questionnaires and returned them. Moreover, data were collected using qualitative means by identifying 20 executives, 10 top managers each from Nigeria and South Africa, who were then interviewed in detail about the topic. Combining both qualitative and quantitative approaches has produced a comprehensive result in the research. The data were analysed using inferential statistics in Statistical Package for the Social Sciences (SPSS).

Ethical considerations

Project ethics statement: This research foresees no discernible ethical dilemma. However, consistent with and in compliance with research ethics expectations, this research will observe the following: Ethical clearance: The researcher will apply for and obtain the necessary ethical clearance from the relevant university committees before commencement of the research. Confidentiality: Participants' will be assured of the confidentiality of any information obtained from them. All information sourced will strictly be used for the purpose of the research. No operational or financial corporate information of the organisation will be revealed. Informed consent: At all times, before the opinions of participants are solicited, their

TABLE 1: *T*-test.

Independent samples test	Levene's test for equality of variances		*T*-test for equality of means						
	F	Sig.	*T*	Df	Sig. (2-tailed)	Mean difference	Std. error difference	95% Confidence interval of the difference	
								Lower	Upper
CRM									
Equal variances assumed	0.586	0.450	-5.219	30.000	0.000	1.52562	0.29233	-2.12263	-0.92862
Equal variances not assumed	-	-	-5.219	29.948	0.000	1.52562	0.29233	-2.12268	-0.92857

Note: The *p*-value (sig. 2-tailed) is 0 (meaning the variance is not considered equal because the *p*-value is less than 0.05) and shows there is a significant difference in conflict resolution mechanisms (CRMs) implementation between the two groups.

express consent will be sought, and their voluntary participation will be secured. All aspects of the research will be clearly explained to them. Anonymity: Participants will be assured, in writing, that their anonymity will be maintained. This is to give them the peace of mind to freely express their views. Participants' personal information will not be released to any other party. Non-malfeasance: While the likelihood of this does not arise because of the subject matter of the research, the researcher, all the same, will ensure that no wrongdoing or wrongful conduct will occur while executing this research. Protection from harm: Like the precaution against malfeasance, the researcher will ensure that the execution of this research does not bring any physical or psychological harm to the participants. Freedom to withdraw from participation: The freedom to withdraw from participation, without prejudice, at any stage during the research will be communicated to the participants at the beginning. In addition, the organisation and the participants will be apprised of their right to have access to any publications that may emanate from this research, if they so wish. (NHREC Registration Number: HSSREC-130416-049.)

Results and findings

Levene's equality of variance test analysis

This study measured the effectiveness of CRMs by using variance equality tests on employee–management conflict. A ratio of two sample variances is used to calculate the F-value in the Table 1. A difference in the population variance is assumed if the F-value is not equal to 1. When the *p*-value is less than 0.05, there is a significant difference in variance between the two samples, which means that equal variance cannot be assumed.

The given analysis concluded that both MNEs in the two countries adjusted quite well to their host nations' CRMs, but the MNE in Nigeria appeared to exhibit more laxity or freedom, with conflict resolution processes or mechanisms than the one in South Africa. The two multinationals adjusted to the particular labour relations environment in their respective host countries.

An analysis of Nigerian and South African means of CRM was conducted to determine whether there was a significant difference between the two groups (or organisations). According to the *T*-test table group statistics computed from the CRM general items, the Nigerian organisation has a mean of 2.3825 for the efficacy of mechanisms for resolving conflicts in employment relations, while the South African organisation has a mean of 3.9081 (see Table 2). Among the various CRMs implemented by the South African and Nigerian organisations, the South African organisation implemented 1.52562 more than the Nigerian group. The South African company followed prescribed procedures for resolving conflicts better than its Nigerian counterpart.

TABLE 2: *T*-test group statistics.

Group	*N*	Mean	Std. deviation	Std. error mean
CRM				
Nigeria	16	2.3825	0.84386	0.21097
South Africa	16	3.9081	0.80942	0.20236

CRM, Conflict Resolution Mechanisms.

Recommendations and conclusion

It is highly recommended that future studies expand the scope of such studies to provide a deeper understanding, particularly if several more MNEs are investigated. The second recommendation is to specifically examine in both environments whether organised labour's perceptions of the topic of interest are relevant for academics or researchers.

For Nigeria, additional recommendations include:

1. In order to stay abreast of international labour standards, it is essential to make voluntary and statutory dispute resolution mechanisms more robust and to ensure consistency in application and periodic, frequent reviews.
2. In order to ensure compliance, all parties, including employers (or MNEs), must adhere to labour standards.
3. Develop trustworthy, independent and specialised dispute resolution groups such as NEDLAC and the CCMA of South Africa.

For South Africa, it is recommended that:

1. The reviews of the various labour legislation, while still striving to meet and uphold international labour standards, should include flexibility measures that would improve the confidence of employers, especially MNEs seeking FDI.
2. Potential FDIs probably do not invest in South Africa because of the current perception that the employment relations regime is more stringent.

In conclusion, the analysis of the survey data indicates that the MNC in Nigeria apparently had a greater influence over conflict resolution than it did in South Africa. This might be explained by factors that are outside the scope of the present study, such as granting MNEs undue latitude or

environmental volatility in Nigeria. It may also be because of internal factors such as the unfettered authority granted to the minister for the purposes of directing and possibly influencing the conflict resolution process. On the other hand, however, as was previously observed and highlighted, the requirements of South African labour legislation might act as a force on MNEs to comply with them in that environment.

Therefore, the employment relations mechanism integrated into the conflict resolution processes in South Africa can be seen as engendering an effective employment relations environment, especially with regard to the protection of employees, a lesson that could be beneficial to the authorities in Nigeria. This research confirms that MNCs play an important role in the employment relations process in the resolution of conflict. By upholding the highest labour standards, host nations can ensure that the roles played by MNEs do not negatively affect their employment relations environment.

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Data availability

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Disclaimer

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