**THE IMPACT OF CORPORATE BARGAINING ON THE WELFARE OF INDUSTRIAL WORKERS, CASE STUDY OF THE CDC BANANA PLANTATION.**

**CHAPTER ONE**

**INTRODUCTION**

* 1. **Background to the Study**

In an enterprise, labor relations are the term used to define the process between employers and employees, management, and unions to make decisions in organizations. This is the relationship of rights and obligations between individuals or workers‘collective with their employers. A conflict of interest causes an employee to experience a struggle between diverging interests, points of view, or allegiance. Corporate bargaining is a process of negotiation between employers and a group of employees aimed at agreements to regulate working salaries, working conditions, benefits, and other aspects of workers’ compensation and rights for workers. That is why corporate bargaining has been formed and is one of the important contents of the labor relation. Besides, the role of Corporate bargaining is increasingly concerned in the current market economic conditions.

Research by Freeman and Kleiner (2000) in the United States shows that, in general, social dialogue has a positive effect on productivity but the effect is not significant. However, the impact of social dialogue on employee satisfaction is very high. As a result, the rate of labor turnover in enterprises with social dialogue is lower than that of other enterprises. On the other hand, collective bargaining helps to increase job satisfaction, reduce the labor replacement rate, to prevent and lower conflicts in the organization, which thereby improves the image and reputation of the enterprise and helps enterprises increase productivity and boost business results. In Vietnam, Corporate bargaining was mentioned in the 1995 Labor Code, but enterprises did not pay appropriate attention to this type of discussion in their enterprise.

According to the Vietnam General Confederation of Labor, by 2018, the representatives of the employees had signed 27,866 agreements, reaching 67.96% of enterprises consisting of trade unions, of which category A accounted for 11.05%, type B accounted for 15.63%, type C accounted for 26.04%, type D made up 21.19% and the rate of agreements that cannot be classified is 25.02% due to expiration or without beneficial contents for employees. Thus, it can be seen that Corporate bargaining has not taken place much and has limited quality.

The researches on Corporate bargaining in Vietnam mainly studied about general problems of industrial relations (Nguyen, 2011; Pham, 2015); or researched the labor law provisions on Corporate bargaining, studying the legal adjustments to corporate collective bargaining in Vietnam (Hoang, 2011; Nguyen, 2018). With the support of the new ILO Industrial Relations Framework Project on Collective Bargaining in Vietnam, the research of Pham (2019) has analyzed and evaluated Corporate bargaining but not measured the impact of collective bargaining on the salary and income of employees in the enterprise.

1.2 **Problem Statement**

Despite the critical role of industrial workers in the agricultural sector, their welfare often remains a secondary concern, particularly in large-scale operations like the CDC Banana Plantation. Corporate bargaining, a key element in determining working conditions, wages, and benefits, plays a pivotal role in shaping the livelihoods of these workers. However, there is a lack of comprehensive understanding about how these negotiations directly impact the welfare of industrial workers in such settings. This gap in knowledge is significant, as it hinders the development of more equitable and sustainable labor practices. The study aims to investigate the dynamics of corporate bargaining at the CDC Banana Plantation and assess its direct consequences on the welfare of the plantation's industrial workers. By analyzing this specific case, the research seeks to provide insights into the broader implications of corporate bargaining strategies in the agricultural sector and propose recommendations for improving worker welfare in similar contexts.

* 1. **Research Question**

What is the Impact of Corporate Bargaining on the Welfare of Industrial Workers in the CDC Banana Plantation?

**1.3.2 Specific Research Question**

1. How does corporate bargaining at the CDC Banana Plantation influence the working conditions and job security of industrial workers?
2. What are the effects of corporate bargaining on the compensation and benefits received by the industrial workers at the CDC Banana Plantation?
3. To what extent do the outcomes of corporate bargaining align with the expectations and needs of industrial workers at the CDC Banana Plantation?

**1.4 Objective of the Study**.

**1.4.1 Main Objective**

The goal of this study is to assess The Impact of Corporate Bargaining on the Welfare of Industrial Workers in the CDC Banana Plantation

**1.4.2 Specific objectives**

1. To analyze the impact of corporate bargaining on the working conditions and job security of industrial workers at the CDC Banana Plantation.
2. To assess the influence of corporate bargaining on the compensation and benefits structure for the industrial workers at the CDC Banana Plantation.
3. To evaluate the alignment between the outcomes of corporate bargaining and the expectations and needs of the industrial workers at the CDC Banana Plantation.

**1.5 Hypotheses**

(H0): Corporate bargaining has no significant impact on the working conditions and job security of industrial workers at the CDC Banana Plantation.

(H1): Corporate bargaining significantly influences the working conditions and job security of industrial workers at the CDC Banana Plantation.

(H0): Corporate bargaining does not significantly affect the compensation and benefits of industrial workers at the CDC Banana Plantation.

(H1): Corporate bargaining has a significant effect on the compensation and benefits of industrial workers at the CDC Banana Plantation.

Null Hypothesis (H0): There is no significant alignment between the outcomes of corporate bargaining and the expectations and needs of the industrial workers at the CDC Banana Plantation.

(H1): There is a significant alignment between the outcomes of corporate bargaining and the expectations and needs of the industrial workers at the CDC Banana Plantation.

**1.6 Significance of the Study**

The study on "The Impact of Corporate Bargaining on the Welfare of Industrial Workers: Case Study of the CDC Banana Plantation" is significant for several reasons. Firstly, it offers vital insights into how corporate bargaining processes affect the welfare of industrial workers. Understanding these impacts can lead to improved working conditions, fairer compensation, and enhanced job security, directly benefiting workers. This is particularly crucial in sectors like agriculture, where labor conditions often remain underexamined.

Additionally, the findings of this study have the potential to inform policymakers, corporate decision-makers, and labor unions. By providing empirical evidence on the effects of corporate bargaining, the study can guide the development of policies and strategies that better align with the needs and rights of industrial workers. This could lead to more equitable labor practices and contribute to the broader goal of sustainable and ethical business operations.

From an academic perspective, this research contributes to the existing literature on labor relations and corporate practices, offering a detailed case study that can be used for future research and comparative analysis. It enriches our understanding of the dynamics between employers and employees in a critical economic sector, adding depth and context to theoretical frameworks in labor studies.

Moreover, the study has important social and economic implications. By highlighting the link between corporate bargaining and worker welfare, it underscores the need for responsible corporate behavior and the potential of such behavior to positively impact not only workers but also communities and the economy at large. This research could serve as a catalyst for more inclusive and socially responsible business models, encouraging companies to consider the broader impact of their bargaining strategies on society.

In essence, this study is not only important for its direct implications on worker welfare at the CDC Banana Plantation but also for its broader contributions to understanding and improving labor practices in the agricultural sector and beyond.

**1.7 SCOPE OF THE STUDY**

The study on "The Impact of Corporate Bargaining on the Welfare of Industrial Workers: Case Study of the CDC Banana Plantation in Cameroon" would encompass specific areas in its scope and limitations:

**Time Scope**: This aspect would define the period during which data was collected and analyzed, focusing on how corporate bargaining strategies and policies have evolved and their impact on workers' welfare over this time.

**Geographic Scope**: Centered on the CDC Banana Plantation in Cameroon, the study would be specifically concerned with the practices and outcomes within this location, not generalizing its findings to other regions or industries.

**Content Scope**: The study would delve into key areas like corporate bargaining strategies, worker welfare metrics, and the impact assessment of these bargaining strategies on worker welfare. It would examine negotiation tactics, agreements, policies adopted by the corporation, and their effects on wages, working conditions, job security, health and safety standards, and benefits. The evaluation would include changes in worker satisfaction, turnover rates, productivity, and the socio-economic impact on workers' communities.

**1.7.1 Limitations**:

* The study might face limitations due to data availability and reliability, particularly if there are restrictions on accessing corporate records or a lack of comprehensive data on worker welfare.
* The findings might be specific to the CDC Banana Plantation and may not be applicable to other settings or industries without further research.
* The results might be influenced by the specific time period of data collection, and may not account for future changes in corporate policies or economic conditions.
  1. **Definition of Term**

**Corporate Bargaining:** Also known as collective bargaining, it refers to the ongoing process of negotiation between representatives of workers and employers to establish the conditions of employment. This process aims at agreements to regulate working salaries, working conditions, benefits, and other aspects of workers' compensation and rights for workers. The collective agreement, or collective bargaining agreement (CBA), is a written contract negotiated through this process by one or more trade unions with the management of a company (or with an employers' association) and regulates the terms and conditions of employees at work. This includes regulating wages, benefits, and duties​​​​​​​​​​.(*Encyclopedia Britannica*.)

**Industrial Workers:** Refers to individuals employed in industries, particularly in manufacturing settings such as factories. Industrial workplaces are traditionally defined as places where goods are manufactured, often in factories with assembly line environments. Industrial workers are typically involved in repetitive tasks in production processes. The term "industrial worker" historically referred to someone working in heavy industries such as factory work, especially during the Industrial Age. In modern contexts, it could technically refer to anyone working in various types of industries​​​​.Bean-Mellinger, B. (2020, July 27).

1.9 **Organization of the Study**

This study consists of five chapters; chapter one is the introduction and is made up of the background to the study, statement of problem, objectives of the study, hypothesis and significance of the study.

Chapter two is literature review and is made up of the conceptual framework, theoretical literature and empirical literature.

Chapter three focuses on the methodology which is made up the area of study, research design, method of data collection and the method of data analysis chosen for the study. This chapter also looks at the limitations of the data used in the study and the ethical issues taken into consideration.

Chapter four focuses on the presentation of the results obtained from the study and a discussion of the findings.

Finally, chapter five is made up of summary of the major findings, conclusion and recommendations. It discusses an overview of the study outcome and implications as well as the recommendations to CDC. Also included are the limitations of the study.