

Influence of Arbitration on Resolution of Industrial Disputes in Nakuru County, Kenya

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Abstract: *This study examined how arbitration influences the resolution of industrial disputes in Nakuru County, Kenya. The study was motivated by the rising prevalence of industrial disputes and the need for effective, efficient, and sustainable dispute-resolution mechanisms. The specific objective was to determine the extent to which arbitration influences industrial dispute resolution. The study adopted a descriptive research design and utilized a mixed-methods approach. The target population comprised 4,570 stakeholders involved in industrial dispute resolution, including employers, trade union officials, mediators, and arbitrators. A multi-stage sampling technique selected 354 respondents. The study collected primary data using structured questionnaires and semi-structured interviews. Reliability of the instruments was confirmed using Cronbach's Alpha ($\alpha \geq 0.7$), while validity was ensured through expert review and alignment with study objectives. Quantitative data were analyzed using SPSS version 27, employing descriptive statistics, Pearson correlation, and simple linear regression, while qualitative data were analyzed using thematic analysis. The findings revealed a strong positive and statistically significant relationship between arbitration and the resolution of industrial disputes ($r = 0.760, p < 0.05$). Regression analysis showed that arbitration significantly influenced dispute resolution outcomes ($\beta = 0.245, p < 0.05$), explaining 57.8% of the variation in industrial dispute resolution. The results suggest that arbitration improves dispute resolution by enhancing settlement outcomes and promoting stable labor relations. The study concluded that arbitration significantly influences industrial dispute resolution in Nakuru County. Policymakers should strengthen legal and institutional frameworks that support arbitration, while organizations and labor institutions should improve their use of, and understanding of, arbitration processes. The study contributes to the body of knowledge on dispute resolution and provides practical insights for improving industrial relations in Kenya.*

Keywords: Arbitration, Industrial Disputes, Dispute Resolution, Labour Relations, Kenya

1. Introduction

Industrial disputes remain a persistent global challenge affecting labour relations, organizational performance, and economic stability. These disputes typically arise from disagreements between employers and employees regarding wages, working conditions, and contractual obligations. As employment relationships grow more complex, there has been a growing shift toward Alternative Dispute Resolution (ADR) mechanisms, particularly arbitration, as an effective way to resolve such conflicts. Arbitration refers to a structured process in which disputing parties submit their case to a neutral third party whose decision is binding, offering a faster and more flexible alternative to litigation (International Labour Organization [8-11]. Globally, arbitration is valued for its efficiency, confidentiality, and ability to reduce the burden on judicial systems while promoting industrial harmony [2-8]. Despite these advantages, empirical findings on arbitration's effectiveness in resolving industrial disputes remain mixed. On the one hand, arbitration enhances dispute resolution through shorter timelines, cost-effectiveness, and procedural flexibility, which are critical indicators of successful outcomes [11]. On the other hand, challenges such as high arbitration costs, delays caused by procedural complexities, and judicial interference have been reported, particularly in developing jurisdictions [2-19]. These conflicting findings highlight the need to examine arbitration not just as a mechanism, but in terms of its specific dimensions, timeliness, cost efficiency, enforceability, and

fairness, which form the core indicators of the independent variable in this study.

In the African context, many countries have embraced arbitration as part of broader labour dispute resolution frameworks to enhance access to justice and reduce reliance on formal courts. Arbitration has been particularly instrumental in addressing industrial disputes in environments characterized by weak judicial systems and case backlogs. However, studies across Sub-Saharan Africa indicate that while arbitration frameworks exist, institutional weaknesses, limited awareness, and inconsistent enforcement of arbitral awards often constrain their effectiveness [21-15]. These challenges directly affect arbitration's ability to achieve desired dispute-resolution outcomes, including timely settlement and sustained industrial peace. In Kenya, arbitration is recognized under the Arbitration Act (1995) and is further supported by Article 159(2) (c) of the Constitution, which promotes ADR mechanisms in dispute resolution. Within the labor sector, arbitration complements the role of the Employment and Labor Relations Court (ELRC) by providing an alternative avenue for resolving industrial disputes. Arbitration in Kenya has increased because of its perceived advantages, including reduced case backlog, confidentiality, and procedural flexibility [10-14]. However, the effectiveness of arbitration in resolving disputes remains contested. Empirical studies suggest that arbitration processes in Kenya sometimes face delays, high costs, and excessive court intervention, which undermine the finality and efficiency

of arbitral awards [12-18]. At the county level, particularly in Nakuru County, industrial disputes are increasingly prevalent due to factors such as union activities, workforce diversity, and organizational restructuring. Arbitration is frequently used to resolve disputes involving employment contracts, collective bargaining agreements, and workplace grievances. However, the extent to which arbitration influences dispute resolution remains unclear. This study conceptualizes the dependent variable, the resolution of industrial disputes, using indicators such as timeliness, cost reduction, fairness of outcomes, and agreement sustainability. These outcomes depend directly on how effectively arbitration mechanisms function in practice. Although arbitration has been widely adopted in Kenya, limited empirical evidence examines its influence on resolving industrial disputes at the county level. Most existing studies focus on legal frameworks or national-level analyses, leaving a contextual gap in understanding how arbitration performs in specific regions such as Nakuru County. This study, therefore, seeks to fill this gap by examining how key dimensions of arbitration timeliness, cost efficiency, enforceability, and fairness influence the resolution of industrial disputes. The findings will contribute to policy formulation, improve labour relations practices, and enhance the effectiveness of arbitration as a dispute resolution mechanism.

1.2 Statement of the Problem

Industrial disputes continue to pose significant challenges to labour relations, organizational performance, and economic stability. These disputes often reduce productivity, strain employer–employee relationships, increase operational costs, and disrupt operations through strikes or work stoppages. To address these challenges, arbitration has been widely adopted as an Alternative Dispute Resolution (ADR) mechanism because it can provide timely, cost-effective, and fair outcomes compared to litigation [8-11]. Consequently, many countries, including Kenya, have institutionalized arbitration within their labour dispute resolution systems to enhance efficiency and access to justice. In Kenya, both legal and constitutional frameworks, particularly the Arbitration Act and Article 159(2) (c) of the Constitution, which encourages the use of ADR mechanisms, support arbitration. Despite this support, industrial disputes remain prevalent, and their resolution is often characterized by delays, high costs, and dissatisfaction among disputing parties. Empirical studies indicate that arbitration processes in Kenya sometimes face challenges, including procedural inefficiencies, high administrative expenses, and judicial interference, which undermine the effectiveness and finality of arbitral awards [12-19-8]. These issues raise concerns about whether arbitration is fully achieving its intended role in resolving industrial disputes. At the county level, particularly in Nakuru County, the effectiveness of arbitration in resolving industrial disputes is not well documented despite increasing labour-related conflicts driven by union activities, workforce dynamics, and organizational changes. While arbitration is commonly used to address such disputes, there is limited empirical evidence on how its key dimensions- timeliness, cost efficiency, enforceability of awards, and fairness- affect dispute resolution

outcomes. As a result, it remains unclear whether arbitration contributes to improved outcomes such as faster dispute resolution, reduced costs, equitable decisions, and sustainable industrial relations. Existing literature has largely focused on the legal and institutional frameworks of arbitration at the national level, with minimal attention given to its practical effectiveness in specific local contexts. This creates a contextual and empirical gap, particularly in Nakuru County. Therefore, this study examines the influence of arbitration on resolving industrial disputes in Nakuru County, Kenya, by evaluating how its key dimensions affect dispute resolution outcomes. The findings will provide evidence to inform policy and improve the effectiveness of arbitration in labour dispute resolution.

1.3 Objective of the study

The objective of the study was to determine the Influence of Arbitration on the resolution of Industrial Disputes in Nakuru County, Kenya

1.4 Research Hypothesis

H0: Arbitration has no statistically significant influence on the resolution of Industrial Disputes in Nakuru County, Kenya

1.5 Significance of the study

This study is important to various stakeholders involved in labour relations and dispute resolution in Kenya, particularly in Nakuru County. The study provides policymakers and government agencies with useful insights into how arbitration influences the resolution of industrial disputes. The findings inform policy formulation and improvement aimed at enhancing the effectiveness of arbitration in resolving labour disputes. The study offers valuable insights to labour relations practitioners, including arbitrators and mediators, by highlighting the strengths and weaknesses of arbitration as a dispute resolution mechanism. These findings help improve the efficiency, fairness, and quality of arbitration processes. For employers, employees, trade unions, and organizational management, the study enhances understanding of how arbitration can be used effectively to resolve industrial disputes. This supports better decision-making, reduces conflict escalation, and promotes sustainable industrial relations. The study also contributes to academic knowledge by addressing gaps in the literature on arbitration's influence on industrial dispute resolution, particularly at the county level. It serves as a reference for future research in the field. Finally, the study provides insights to development partners and organizations involved in labour governance on how to strengthen dispute resolution mechanisms, thereby promoting fairness, efficiency, and stability in industrial relations.

2. Literature Review

This section reviews the theoretical and empirical literature on arbitration and industrial dispute resolution. The theoretical

framework outlines the relevant theories that form the foundation of the study. The empirical studies are reviewed in line with the study objectives and are conceptualized into a framework.

2.1 Theoretical Review

This study was anchored on Conflict Resolution Theory. [3] advanced this theory. The theory posits that conflict is an inevitable aspect of human interaction arising from differences in interests, values, and access to resources, and that effective mechanisms are required to manage and resolve such conflicts constructively. It emphasizes that structured processes such as negotiation, mediation, and arbitration play a central role in reducing hostility, promoting dialogue, and facilitating mutually acceptable outcomes. The theory further suggests that well-designed dispute resolution mechanisms enhance cooperation and stability by addressing the root causes of conflict rather than merely suppressing them [3]. Over time, the theory has been advanced to incorporate institutional approaches to conflict management, highlighting the role of formal systems, such as arbitration, in enhancing efficiency, fairness, and sustainability in dispute resolution [6]. However, critics have questioned its generality because it does not adequately account for power imbalances between disputing parties, particularly in industrial relations, where employers may have greater influence than employees. Additionally, the theory assumes that parties will act rationally and be willing to engage in constructive dialogue, which may not always hold in emotionally charged or highly adversarial industrial disputes [5]. This study reviews this theory because it provides a foundation for understanding how industrial disputes arise and how structured mechanisms such as arbitration can resolve them effectively. It supports the study objective of examining arbitration's influence on industrial dispute resolution by explaining how factors such as timeliness, fairness, cost-effectiveness, and enforceability contribute to effective dispute resolution outcomes.

2.2 Empirical Review

Empirical studies on arbitration and industrial dispute resolution have been conducted globally, regionally, and locally, with a strong focus on how factors such as timeliness influence dispute resolution outcomes. Globally, [22] conducted a study in the United States on the efficiency of arbitration in resolving labour disputes. The study used quantitative data from 210 arbitration cases and examined variables such as dispute-resolution duration and case outcomes. The authors analyzed the data using regression analysis and found that shorter arbitration timelines significantly improved dispute-resolution outcomes by reducing backlogs and increasing satisfaction among disputing parties. Similarly, [4] conducted a study in China on labour arbitration and dispute resolution efficiency. The study used panel data from arbitration institutions, focusing on processing time and settlement rates, and applied descriptive and inferential statistics. The findings indicated that timely

arbitration processes significantly increased settlement rates and minimized dispute escalation.

Further, [7] examined arbitration delays and labor dispute outcomes in Spain using secondary data from arbitration bodies and labor courts. The study analyzed variables such as time to resolve disputes and outcome effectiveness using econometric analysis. The findings showed that arbitration delays negatively affected dispute resolution, often prolonging conflicts and increasing reliance on litigation. In India, [1] studied the efficiency of arbitration in industrial disputes using survey data from 150 practitioners. The study applied structural equation modeling to analyze variables related to timeliness and dispute-resolution effectiveness and found that timely arbitration had a significant positive effect on dispute-resolution outcomes and stakeholder satisfaction. From a regional perspective, [16] conducted a study in South Africa examining labour dispute resolution through arbitration. The study used mixed-methods data collected from arbitration institutions, focusing on case duration and dispute-resolution outcomes. The authors analyzed the data using regression and thematic analyses, and found that delays in arbitration reduced trust in dispute-resolution mechanisms and increased the likelihood that disputes would escalate to formal courts. Similarly, [20] studied arbitration and industrial harmony in Nigeria using survey data from trade unions and employers. The study employed multiple regression analysis and found that timely arbitration significantly enhanced dispute resolution and reduced industrial unrest.

In East Africa, [13] conducted a study in Kenya on alternative dispute resolution mechanisms in labour disputes. The study used primary data collected from labour officers and arbitrators, examining variables related to timelines and dispute outcomes. The study analyzed data using descriptive statistics and correlation analysis, and the findings indicated that delays in arbitration were a major factor contributing to unresolved disputes. Similarly, [17] studied arbitration efficiency in Rwanda using secondary data from arbitration institutions. The study applied trend analysis and found that improved timeliness led to higher dispute resolution rates and reduced case backlog. Locally, [12] conducted a study in Nairobi on arbitration and labour dispute resolution within the Employment and Labour Relations Court. The study used qualitative data from case reviews and interviews with legal practitioners, which were analyzed using thematic analysis. The findings revealed that delays in arbitration processes significantly undermined the effectiveness of dispute resolution. In Nakuru County, [23] conducted a study on labour dispute resolution mechanisms using survey data from employers and employees. The data were analyzed using regression analysis, and the findings showed that timely arbitration significantly improved dispute resolution outcomes, including reduced resolution time and increased satisfaction among parties.

Additionally, [9] conducted a study in Kenya examining arbitration efficiency using secondary data from arbitration cases. The study employed time-series analysis to examine the

relationship between arbitration duration and dispute outcomes and found that shorter arbitration timelines were associated with higher settlement rates. Similarly, [18] conducted a study in Western Kenya using cross-sectional survey data analyzed through regression techniques. The findings indicated that arbitration timeliness had a statistically significant positive influence on resolving industrial disputes. Overall, the reviewed studies consistently show that timeliness is a key determinant of arbitration effectiveness in resolving industrial disputes. However, despite substantial global and regional evidence, localized empirical evidence specifically on Nakuru County remains limited, justifying the need for the current study.

2.3 Conceptual Framework

This conceptual framework illustrates the relationship between the independent and dependent variables. The study's dependent variable is the resolution of industrial disputes, while the independent variable is arbitration. The study examines arbitration through key dimensions: timeliness, cost efficiency, enforceability of arbitral awards, and fairness. These dimensions are expected to influence the effectiveness of industrial dispute resolution, as illustrated in Figure 1 below.

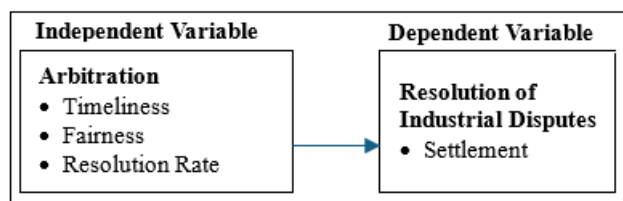


Figure 1: Conceptual Framework

3. Research Methodology

This study adopted a descriptive research design to examine how arbitration influences the resolution of industrial disputes in Nakuru County, Kenya. The study targeted 4,570 stakeholders involved in industrial dispute resolution, including employers (FKE members), trade union officials, mediators, and arbitrators. The study used a multi-stage sampling approach combining stratified, purposive, and simple random sampling to select 354 respondents. The study collected quantitative data using structured questionnaires with Likert-scale items and qualitative data through semi-structured interviews with key informants. The instruments were piloted with 35 respondents to ensure clarity and reliability. Expert review and alignment with the study objectives assessed validity, while Cronbach's Alpha ($\alpha \geq 0.7$) assessed reliability. Data collection employed a drop-and-pick method while ensuring ethical standards and confidentiality. Quantitative data were analyzed using SPSS version 27, employing descriptive statistics, Pearson correlation, and simple linear

regression to examine relationships among variables. The function was given as follows:

$$RID = \beta_0 + \beta_1 ARB + \varepsilon \dots \dots (i)$$

Where RID represents the resolution of industrial disputes, and ARB represents arbitration. A normality test was conducted to ensure that regression assumptions were met. The study analyzed qualitative data using thematic analysis to provide deeper insights. The study integrated quantitative and qualitative findings to enhance validity and practical relevance.

4. Research Findings

This chapter presented findings on how arbitration influences the resolution of industrial disputes in Nakuru County, Kenya. The results were based on data collected through questionnaires and interviews and were analyzed using descriptive and inferential statistics, with qualitative insights used to support the findings.

4.1 Response Rate

A total of 354 questionnaires were distributed to the targeted respondents; 294 were completed and returned, yielding an overall response rate of 83.1%, as shown in Table 1 below.

Table 1: Response Rate of Questionnaires

Category	Questionnaires Issued	Questionnaires Returned	Response Rate (%)
Employers (FKE Members)	310	257	82.9
Trade Union Officials	38	32	84.2
Mediators	4	3	75
Arbitrators	2	2	100
Total	354	294	83.1

Of the 294 questionnaires returned, those from employers who were members of the Federation of Kenya Employers accounted for the largest share, with 257 of 310 (82.9%). Trade union officials returned 32 out of 38 questionnaires issued (84.2%). Among the smaller cohorts, mediators returned 3 of 4 questionnaires (75.0%), while arbitrators returned all 2 questionnaires issued (100%). The high overall response rate indicated that the data were sufficiently representative of the study population, providing a reliable basis for subsequent analysis.

4.2 Descriptive statistics for Arbitration

Respondents were asked to indicate their level of agreement with statements on arbitration using a five-point Likert scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). Frequencies, percentages, means, and standard deviations were summarized in Table 2

Table 2: Respondents' perceptions of Arbitration in Industrial Dispute Resolution

Statement	1 (SD)	2 (D)	3 (N)	4 (A)	5 (SA)	Mean	SD
The arbitration process typically resolves industrial disputes in a timely manner.	8 (2.7%)	6 (2.0%)	12 (4.1%)	120 (40.8%)	148 (50.3%)	4.34	0.90
The arbitration process is fair to both parties involved in the dispute.	14 (4.8%)	24 (8.2%)	48 (16.3%)	114 (38.8%)	94 (32.0%)	3.85	1.09
The arbitration procedures are clear and transparent to all parties.	6 (2.0%)	38 (12.9%)	42 (14.3%)	98 (33.3%)	110 (37.4%)	3.91	1.06
Arbitration results in a high rate of dispute resolution in industrial conflicts.	21 (7.1%)	32 (10.9%)	57 (19.4%)	108 (36.7%)	76 (25.9%)	3.63	1.15
Arbitration is an effective mechanism for resolving industrial disputes and bringing lasting solutions.	20 (6.8%)	40 (13.6%)	35 (11.9%)	105 (35.7%)	94 (32.0%)	3.72	1.18
Arbitration is quicker than other ADR mechanisms (e.g., mediation or conciliation) in resolving disputes.	10 (3.4%)	12 (4.1%)	40 (13.6%)	100 (34.0%)	132 (44.9%)	4.13	1.02
Overall Mean and SD						3.93	1.07

The findings demonstrate that arbitration emerged as one of the better-performing ADR mechanisms in resolving industrial disputes in Nakuru County, particularly in terms of timeliness and procedural efficiency. The very high level of agreement among respondents that arbitration resolves disputes promptly, reflected in the highest mean score ($M = 4.34$), suggests that arbitration's structured, rule-based nature enables faster dispute closure than more dialogue-intensive mechanisms such as mediation and conciliation. Arbitration typically follows predefined procedures and timelines and culminates in a binding decision, thereby limiting prolonged engagement and reducing uncertainty. This finding aligns with existing literature showing that arbitration often outperforms other ADR mechanisms in environments where disputes require decisive, enforceable outcomes (Bingham, 2020; Heugens & Lander, 2020).

The perception that arbitration is quicker than mediation or conciliation ($M = 4.13$) further explains its relative effectiveness. In industrial relations, where frequent wage disputes, disciplinary grievances, and collective bargaining disagreements can escalate tensions and disrupt operations, prolonged negotiations can be costly. Arbitration's ability to deliver a final determination makes it particularly attractive where parties face pressure to restore normal operations quickly. Institutional Theory helps explain this preference, as arbitration is strongly embedded in Kenya's legal and regulatory framework, thereby legitimizing it as an authoritative mechanism for dispute resolution. Respondents' moderately high ratings of procedural clarity and transparency ($M = 3.91$) and fairness to both parties ($M = 3.85$) suggest that arbitration benefits from its formal institutional design, including standardized procedures and neutral arbitrators. Prior studies similarly observe that arbitration gains legitimacy when parties perceive the process as rule-based and impartial, especially in unionized settings where power struggles are common (Greenwood et al., 2021). However, these scores were lower than those related to speed, suggesting that procedural formality alone does not fully guarantee perceptions of fairness.

The comparatively lower mean scores on arbitration's ability to consistently achieve settlement ($M = 3.63$) and provide lasting solutions ($M = 3.72$) highlight important limitations.

While arbitration resolves disputes procedurally, it may be less successful at addressing underlying relational issues such as mistrust, power imbalances, and perceived injustice. This aligns with conflict transformation literature, which argues that adjudicative mechanisms tend to resolve disputes at a surface level without transforming the relationships that generate recurring conflict (Ramsbotham *et al.*, 2021). As a result, disputes may re-emerge even after arbitration awards are issued. Overall, the high mean score ($M = 3.93$) indicates that arbitration is widely perceived as an effective and efficient mechanism for industrial dispute resolution in Nakuru County, primarily because of its speed and institutional legitimacy. However, the findings also suggest that arbitration is more effective at achieving procedural closure than at fostering long-term industrial harmony. This underscores the need to complement arbitration with relational ADR mechanisms such as mediation, conciliation, and negotiation, particularly where sustainable dispute resolution and trust building are desired.

4.3 Correlation Analysis

The Pearson correlation analysis examined the strength and direction of the relationship between arbitration and the resolution of industrial disputes in Nakuru County. This statistical technique measures how closely two variables move together. A correlation coefficient (r) closer to 1 or -1 indicates a strong relationship, while a value near 0 suggests a weak or no linear association.

Table 3: Correlation Coefficient Table

Variables	Arbitration	Resolution of Industrial Disputes
Arbitration	1	0.760**
Resolution of Industrial Disputes	0.760**	1

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

The Pearson correlation coefficient of **0.760** indicates a strong positive relationship between arbitration and the resolution of industrial disputes. This suggests that improvements in arbitration processes are strongly associated with better dispute-resolution outcomes in Nakuru County.

4.4 Model Summary

To assess arbitration's predictive power in resolving industrial disputes, the study tested a simple linear regression model.

Table 4: Model Summary

Model	R	R Square	Adjusted R-Square	Std. Error of the Estimate
1	0.76	0.578	0.576	0.412

The model summary shows an R-value of 0.760, consistent with the correlation results and indicating a strong positive relationship between arbitration and industrial dispute resolution. The R-squared value of 0.578 implies that arbitration explains 57.8% of the variation in industrial dispute resolution. This demonstrates arbitration's strong explanatory power in predicting dispute resolution outcomes. The adjusted R-squared of 0.576 further confirms the model's reliability, while the standard error of estimate (0.412) indicates a relatively low prediction error, suggesting the model fits the data well.

4.5 Analysis of Variance (ANOVA)

An Analysis of Variance (ANOVA) was conducted to test the regression model's statistical significance. This test determines whether the model fits the data better than a model with no predictors. A significant F-statistic indicates that arbitration contributes meaningfully to variations in the resolution of industrial disputes.

Table 5: ANOVA Table

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	23.145	1	23.145	136.3	0
Residual	16.879	292	0.058		
Total	40.024	293			

The ANOVA results indicate that the regression model is statistically significant ($F(1, 292) = 136.30, p < 0.001$), implying that arbitration significantly predicts the resolution of industrial disputes in Nakuru County. The results confirm that the model fits the data well and that the independent variable (arbitration) significantly affects the dependent variable.

4.6 Regression Coefficients

The regression coefficients table presents the unstandardized and standardized coefficients, t-statistics, and significance levels. These values indicate the direction and strength of arbitration's effect on industrial dispute resolution.

Table 6: Regression Coefficients

Model	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	t	Sig.
(Constant)	1.284	0.192	—	6.688	0
Arbitration	0.245	0.028	0.76	8.75	0

The unstandardized beta coefficient of 0.245 indicates that a one-unit increase in arbitration is associated with a 0.245-unit

increase in the resolution of industrial disputes, holding other factors constant. The standardized beta coefficient (0.760) confirms a strong positive influence, consistent with the correlation and model summary results. The t-value of 8.750 and p-value < 0.001 indicate that the effect of arbitration on dispute resolution is statistically significant.

4.7 Hypothesis Testing

Hypothesis testing was conducted to determine whether arbitration has a statistically significant influence on the resolution of industrial disputes in Nakuru County. The decision was based on the significance value (p-value) obtained from the regression analysis at a 5% level of significance.

Table 7: Hypothesis Testing Results

Hypothesis	Beta (β)	t-value	Sig. (p-value)	Decision
H ₀ : Arbitration has no significant influence on the resolution of industrial disputes	0.245	8.75	0	Rejected

Table 7 shows that arbitration has a positive and statistically significant effect on the resolution of industrial disputes ($\beta = 0.245, t = 8.750, p < 0.05$). Since the p-value is less than the 0.05 level of significance, the null hypothesis was rejected. This implies that arbitration significantly influences industrial dispute resolution in Nakuru County. The positive beta coefficient further indicates that improvements in arbitration processes lead to better dispute resolution outcomes.

5. Summary of Findings

The study examined how arbitration influences industrial dispute resolution in Nakuru County, Kenya. The findings revealed a strong positive relationship between arbitration and industrial dispute resolution, as indicated by a correlation coefficient of $r = 0.760$. This suggests that improvements in arbitration processes are associated with better dispute resolution outcomes. Further, regression analysis showed that arbitration significantly influenced industrial dispute resolution ($\beta = 0.245, p < 0.05$), indicating that arbitration is a significant predictor of dispute resolution outcomes. The model summary showed that arbitration explained 57.8% of the variation in industrial dispute resolution ($R^2 = 0.578$), demonstrating strong explanatory power. These findings confirm that arbitration plays a critical role in enhancing efficiency, fairness, and effectiveness in resolving industrial disputes.

6. Conclusions

Based on the findings, the study concluded that arbitration has a significant, positive influence on resolving industrial disputes in Nakuru County. The strong correlation and statistically significant regression results indicate that arbitration is an effective mechanism for resolving disputes between employers and employees. The study further concluded that arbitration improves dispute resolution outcomes by promoting efficiency,

reducing conflict escalation, and facilitating fair and acceptable decisions. Therefore, arbitration should be strengthened and promoted as a key mechanism in industrial dispute resolution frameworks.

7. Recommendations

This section presents recommendations based on the study's findings and conclusions on arbitration's influence on resolving industrial disputes in Nakuru County, Kenya. The recommendations aim to improve policy, practice, and decision-making to enhance arbitration's effectiveness in resolving industrial disputes.

7.1 Recommendations for Policy

The study recommends that policymakers strengthen legal and institutional frameworks that support arbitration in resolving industrial disputes. Policymakers should develop policies that promote arbitration as a primary dispute resolution mechanism and ensure arbitration processes are efficient, accessible, and enforceable. Additionally, policies should enhance transparency and fairness in arbitration to increase stakeholder confidence in the process.

7.2 Recommendations for Decision Making

The study recommends that organizations, labour institutions, and practitioners prioritize the use of arbitration in resolving industrial disputes. Capacity building through training and awareness programs is needed to enhance stakeholders' understanding of arbitration processes. Furthermore, decision-makers should adopt evidence-based approaches when handling disputes, ensuring that arbitration is used effectively to improve dispute-resolution outcomes and promote industrial harmony.

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