



The Determinants of CCMA Effectiveness as Perceived by Employees in a Selected South African Municipality

Nosiphokazi Heroine Sigauke¹, Ronald Machingambi², Christiana Kappo-Abidemi^{3*}
1,2,3 University of Mpumalanga, South Africa

Received : May 27, 2024

Revised : December 11, 2024

Accepted : December 20, 2024

Online : December 31, 2024

Abstract

The CCMA was established to implement the required fundamental changes in South African labor relations. The Labor Relations Act 66 of 1995 sets CCMA's expectations regarding dispute resolutions and collective bargaining. The South African CCMA is considered the largest labor dispute agency in the world in terms of referrals, with 3,632,085 cases since its inception. This study focused on public service employees' perceptions of the effectiveness of CCMA based on participants' demographic information. The study adopted a quantitative approach using a self-developed Likert scale questionnaire for data collection. The population consisted of Mbombela municipality employees, and the purposive non-probability sampling method was used to select study participants who consulted the CCMA before being eligible to participate. Limited studies conducted in South Africa have explored employees' perceptions of CCMA activities. Hence, this study aims to contribute to the existing knowledge of South African labor dispute resolution mechanisms and employees' perceptions of the largest labor dispute resolution in the continent. The questionnaire included 24 items, and factor analysis was used to identify related items. Linear regression is used to analyze public service employees' perceptions of the effectiveness of the CCMA based on the identified components using participants' demographic information. The results show no significant differences in the perceptions of the CCMA's effectiveness based on the gender and educational qualifications of the participants. Significant differences exist across the ages and years of working experience. The CCMA mandates should be reviewed in line with the new challenges that are encountered in the workplace. The stakeholders are encouraged to make adequate provisions so that the Commission can conduct its mandate to satisfy its clients.

Keywords: *Dispute Resolution; Collective Bargaining; Public Service Employee; Effectiveness; CCMA Mandates; Labor Dispute*

INTRODUCTION

Workplace disputes are inevitable, and in a civilized society, measures are expected to be put in place to deal with disputes effectively when they eventually occur. Disputes are not necessarily destructive, but they can be constructive opportunities for an organization to grow and learn if handled appropriately and respectfully. Therefore, it is essential for effective dispute resolution institutions to promote constitutionalism. Animashaun and Odeku (2014) contended that a functional state is characterized by a clearly outlined dispute resolution system and an independent judiciary. The Commission for Conciliation, Mediation and Arbitration (CCMA) was established in terms of the Labor Relations Act 66 of 1995 as an independent and impartial forum for parties in an employment relationship to settle disputes in South Africa. Given South Africa's history of labor inequality, it was no surprise that labor laws were among the first to be amended when the democratically elected government took office in 1994. One of the aims of the LRA is to promote simple procedures for dispute resolution, and the CCMA intends to standardize the dispute resolution system to obviate violence by assimilating inclusive labor relations and laying the premise for harmonious constitutional reform (Rapatsa, 2018).

Initially, the CCMA was expected to handle approximately 30,000 cases annually, but this was far from the reality. The 2011 and 2012 periods comprised a total of 161,674 cases. To enforce section 23 of the Constitution, which calls for fair labor for all citizens, the CCMA dispute resolution mechanism was designed to be as simple, inexpensive and accessible as possible. While the

Copyright Holder:

© Sigauke et al. (2024)

Corresponding author's email: C.Kappo-Abidemi@ump.ac.za

This Article is Licensed Under:



intention was noble, it resulted in some challenges for the institution. One of the major issues facing the CCMA is extreme referral rates. There were 156,777 referrals from 2021 to 2022 financial year (Albertyn, 2021). The CCMA has become the largest labor dispute agency in the world in terms of referrals, with a total of 3,632,085 cases referred since its inception (Malope, 2019; Levy & Venter, 2022; CCMA, 2011). The consequences of a high referral rate are the backlog of cases, low-resolution rates, and poor management. These changes increased the pressure on the resolution system. Benjamin (2013) and Kwakwala (2010) stated that approximately 30% of cases referred to the CCMA from 2011 to 2012 were unresolved. This can also be attributed to the mandatory percentage of uneducated workers who struggle to navigate the CCMA's technical system. According to the CCMA annual report, 2011 and 2012, 31% of unfair labor practices and dismissal cases in the CCMA were referred by low-income earners who were earning approximately R1000 every month and were relatively uneducated. In addition, more than 90% of the workers who referred cases to the CCMA earned less than R5,000 monthly. The cases referring to CCMA involved 52% of employees with low skill levels, 35% with semi-skill levels, and 11% with skilled levels. This is a challenge because most employees seeking CCMA services find the system complex and not user-friendly (Fraser, 2024). Likewise, the CCMA has become exclusionary because of the overinvolvement of labor lawyers and consultants in the dispute resolution process. This contradicts the LRA's initial objective of simplifying the process and offering fair dispute resolution. The system relies on power dynamics and intimidation rather than fair labor resolution, which is not aligned with the CCMA's aim to offer accessible and fair labor resolution at no cost (Bagraim, 2023). Based on the problems above, most of the South African workforce seems to have lost faith in the institution (Mndebele, 2021).

Since the inception of the CCMA in 1996 to resolve labor disputes in South Africa, the institution has been responsible for advocating fair labor practices at all employment levels based on its mandate. Other alternative dispute resolution institutions (private or public), such as bargaining councils, statutory councils and accredited private agents, are all established and controlled by the CMMA. The study aims to critically discuss the effectiveness of the CCMA dispute resolution procedure compared to similar institutions in other countries and as perceived by its South African clients. The study aim will be achieved by examining the following objectives:

1. To identify the factors that determine the effectiveness of CCMA
2. To examine the effectiveness of CCMA as perceived by public service employees based on selected demographic characteristics.

Based on the study objectives, the analysis will hypothesize the statistically significant differences between the demographic characteristics of the study participants and the factors associated with the effectiveness of CCMA.

LITERATURE REVIEW

The primary function of the CCMA is to conciliate workplace disputes and, if necessary, arbitrate them. The discretionary functions of the CCMA are outlined in Sections 115(2) and (3) of the LRA, which enhance the fulfillment of the CCMA's mandate without replacing the mandatory functions. The discretionary functions encompass various responsibilities such as overseeing the handling of ballots for unions and employer organizations, conducting training sessions on employment law, providing guidance to parties involved in a dispute on appropriate procedures to follow, offering to mediate unresolved disputes before they are referred to the CCMA, establishing rules on practice and procedure, and publishing guidelines on different aspects of the LRA (CCMA, 2011; Machete, 2021). To understand the functions of the CCMA, it is appropriate to examine the performance and perception of its users as a dispute resolution body established under the Labor

Relations Act. Since 1995, the CCMA has played a significant role in settling disputes and has aligned its mandate with international organizations such as the ILO. [Bagraim \(2023\)](#) stated that the public relies heavily on the CCMA to ensure that labor disputes are settled, resolved, and finally ruled upon. [Benjamin \(2013\)](#) stated that the CCMA is the country's only functioning labor dispute resolution department. In the past five years, the CCMA has made significant efforts to communicate its role and functions effectively to both employees and employers nationwide. There is growing awareness among blue-collar workers in factories nationwide regarding their rights and the opportunity to contest retrenchments, dismissals, and unfair treatment. In addition, the CCMA has attempted to engage with employers and trade unions over the years ([Andre, 2023](#)).

However, the CCMA has also experienced downturns, and corrupt individuals within the CCMA pose a significant threat to the credibility of the institution. Employers and employees depend on CCMA commissioners to differentiate between appropriate and inappropriate conduct and to address any misclassification and associated consequences related to labor disputes. In employment disputes, the commission is responsible for carefully reviewing the facts and determining the appropriate penalty when necessary. The effectiveness of the statutory dispute resolution system relies on the commissioners' ability to make sound judgments daily ([Botes, 2023](#)). However, the commissioner is sometimes prone to making an incorrect assessment of a case, either by mistake or deliberately.

The best way to assess CCMA's effectiveness is to compare it to institutions that perform similar functions in other parts of the world. Labor dispute resolution mechanisms, such as the CCMA, are not exclusive to South Africa. Other countries, including England, the United States, and Namibia, have systems with identical functions. England has the Advisory, Conciliation and Arbitration Service (ACAS). Similar to the CCMA, the ACAS resolves work disputes between employers and employees and provides dispute resolution services, such as arbitration and mediation. With over 125 years of expertise in dispute settlement, ACAS is a national institution that has performed very well in 2022–2023. By resolving private disputes sooner than previously, the corporation could avoid expensive employment tribunals. The cost-of-living issue, excessive inflation, and labor shortages were the main drivers of the increase in demand for collective dispute resolution services. ACAS's proficiency, neutrality and autonomy have proven indispensable in settling significant disputes. 91% of the 621 collective disputes they have been engaged in have been resolved ([Stuart & Lucio, 2008](#); [Urwin, 2016](#); [Hann et al., 2023](#); [Dix & Barber, 2015](#)). Part of this preparation includes seizing digital possibilities to improve the effectiveness and accessibility of the service ([Marrow et al., 2020](#)). According to [Ampeire \(2017\)](#) and [Barry \(2021\)](#), South Africa and England's dispute resolution is similar, as the United Kingdom's common law heavily informs South Africa's legislation. However, the distinguishing factor is the implementation. In South Africa, institutions such as the CCMA are heavily dependent on and are helpful in instances where financial and literacy problems restrict access to court. In the United Kingdom, such institutions are merely secondary dispute mechanisms ([Heron, 2013](#)).

In contrast, the United States has the American Arbitration Association (AAA). Although their primary objective is arbitration, they also offer mediation services. The mandate of the AAA is to provide alternative dispute resolution services and offer services to employees, employers, and organizations that desire to resolve disputes out of court. In addition to settling labor disputes, the AAA provides election services, designs, and implements Alternative Resolution Disputes (ARD) to courts, unions, and companies ([Slate, 1998](#); [Borba, 2009](#)). A difference between the CCMA and the AAA is that the AAA is not free. At the time of referral, each party is obligated to pay an administrative fee of US\$375, and there are additional fees as the process progresses, making the system exclusionary.

Additionally, Namibia has an Office of the Labor Commissioner (OLC). According to

[Ndavahoma-Indongo \(2021\)](#), Sub-Saharan countries, such as Namibia, are overly dependent on adjudication systems despite other suitable options. The OLC aims to resolve disputes quickly and fairly. The function of the OLC is to register trade unions, encourage conciliation, arbitrate disputes, and train workers and employers on ways to prevent and settle disputes ([Mwasikakata & Martins, 2017](#)). Similar to South Africa, Namibia's independence is still young. Namibia became independent in 1990. Additionally, both countries are members of the ILO. According to [Musukubili \(2014\)](#), Namibia has a rich history with South Africa and is thus heavily influenced by South African legislation. However, there are differences between the two institutions. The CCMA in South Africa differs from the OLC in Namibia. Unlike the CCMA, which functions on of the government, the OLC depends entirely on the government. In Namibia before 2007, the conciliation process in the OLC was legally binding, whereas the CCMA's conciliation process has always been informal and legally unenforceable. In addition, legal representation is permissible during the conciliation process in the OLC. This may be counterintuitive because it makes the system similar to adjudication, resulting in the procedure being technical, legalistic, and slow-moving.

One way to evaluate CCMA's effectiveness is by examining different dispute resolution mechanisms in South Africa. The Labor Relations Act has provisions for parties in employment relationships to seek assistance from institutions other than the CCMA, including arbitration bodies, private arbitrations, statutory systems and various courts. Bargaining councils are also statutory institutions for the external resolution of disputes, and they have authority similar to that of the CCMA in relation to dispute resolution. The LRA mandates that bargaining councils enforce their collective agreements and offer additional dispute resolution services for the industry or sector. Additionally, funds for dispute resolution, training and education initiatives, and benefit funds for pension, provident, medical aid, and training funds should be created. Furthermore, it provides industrial support services to the sector and expands its services and functions to informal workers ([Naidoo, 2020](#); [Brändle, 2021](#)).

The Labor Relations Act provides for the self-regulation of industries through the medium of Bargaining Councils, such as the motor, restaurant, engineering and hairdressing sectors. This means that the Bargaining Council will manage cases from these sectors. Occasionally, membership in a Bargaining Council is required. In cases where the industry does not have a bargaining council, the CCMA shall manage the dispute. A claim may be delayed or even have the consequences of not being heard at all because of being referred to an incorrect institution ([Benjamin, 2013](#)). If an employer's primary area of responsibility falls under the jurisdiction of a certain bargaining council, then registration with that Council is required by law ([Naidoo, 2020](#)). Employers must understand whether they fall under the purview of a certain bargaining council and whether any collective agreements apply to them ([Singh, 2022](#)).

From the previous discussion of authority Bargaining Councils, a question arises regarding the comparability of Bargaining Councils to the CCMA. They are sometimes more efficient than the CCMA because the commissioners assisting with disputes in the bargaining council are experts in that industry ([Singh, 2022](#)). The commissioner provides expert advice and support in dispute settlement to businesses, trade unions, and employees ([Derfordly, 2020](#)). Some Bargaining Councils settle disputes quicker than the CCMA; there are no lengthy backlogs like in the CCMA. When a party is not pleased with the ruling of the CCMA or the Bargaining Council, it can apply for a review by the Labor Court ([Naidoo, 2020](#)). A statutory council has the same authority as a bargaining council. A statutory council is a body constituted under the Labor Relations Act of 1995 in an area or industry without bargaining councils. According to the Constitution, a statutory council may agree to execute other bargaining council tasks. The Council's parties are representative registered trade unions and employers' organizations, the members of which are involved in the industry. The Council's primary role is to undertake dispute resolution functions for parties who fit within its

registered scope. Dismissal, unfair labor practices, and other concerns of mutual interest may be presented to the Council for resolution (Derfordly, 2020).

Private arbitration is an external mechanism that the LRA recognizes for resolving disputes. Private arbitration involves referring a dispute to an impartial third party selected by the parties who will make a binding decision after a hearing in which both parties can present their case. The arbitrator will evaluate the presented evidence and arguments and will decide on the basis of the case's merits. Arbitration clauses are frequently included in employment contracts. In this clause, the employer mandates private arbitration for any disputes related to employment or termination; therefore, the CCMA lacks jurisdiction to hear the matter. This is because the employee consented to be bound by the terms outlined in the employment policy upon signing the employment contract. Private arbitration has an excellent track record for being quick and informal while maintaining the fundamental procedures needed for judicial processes. This is achieved mostly by using a questioning technique to get to the root of the dispute, giving the arbitrator a chance to identify the difficulties. After questioning, the formalized process imitating court proceedings follows. This process is guided by evidence and legal principles but is done expeditiously without being slowed down by technical cases in a court of law (Benjamin, 2013; Bushe, 2019; Animashaun & Odeku, 2014; Mzangwa, 2021). Furthermore, suppose it becomes apparent at any time during an arbitration process that has been referred to the CCMA or a relevant bargaining council that the matter ought to have been referred to private arbitration. In this case, the CCMA can either refer to the dispute to the relevant private arbitration agency or appoint a commissioner to hear the dispute. Private arbitration is believed to offer greater control to parties over various aspects of the process, including the arbitrator's selection, venue, timeframes, and the extent of the arbitrator's authority. Although private arbitration has advantages, it can also incur expenses (Mzangwa, 2021).

Arbitration is slightly more formal and inflexible than conciliation. During conciliation, the commissioner recommends a settlement, and the parties are free to reject or accept the recommendation. However, an arbitration award is legally binding. It is important to note that when the arbitration process commences, it is not a continuation of the conciliation process. Instead, the dispute will be listened to and reviewed once more. During arbitration, evidence is presented by either party, and the commissioner, then decides on the basis of the evidence. In fact, arbitration and conciliation are different. However, the common objective is to settle the dispute outside court. The CCMA prevails in settling arbitration cases expeditiously, and within the 14-day mark, the institution has set for the finalization of arbitration despite the CCMA's ever-increasing caseload. Approximately half of the cases referred to the CCMA within the first 10 years of operation were enrolled in arbitration hearings. This number decreased by 35% in 2012, and it has gradually decreased. This has been attributed to the enhanced effectiveness of the CCMA's conciliation process (Moolla, 2020).

RESEARCH METHOD

This study investigates the perception of public service employees who have sought services from the CCMA regarding dispute resolution procedures in a municipality in South Africa. A quantitative cross-sectional research design was adopted for the study, and data were collected from a group of municipality employees who have used CCMA services. The data were collected simultaneously from all participants to validate the requirements of the research study design (Thomas & Zubkov, 2023; Setia, 2016; Maier et al., 2023; Nwabuko et al., 2024). A self-developed research instrument with a 4 Likert scale was used for data collection and administered to over 200 eligible participants (Pentang, 2023; Mohajan, 2020). Out of the 200 questionnaires administered, only 102 useful responses were retrieved, which shows a 51% response rate. The self-developed, closed-ended questionnaire was divided into three sections. Section A comprises the demographic

characteristics of the participants; section B investigates the effectiveness of the CCMA; and section C investigates the perceptions of the employees about the CCMA procedure. A Cronbach Alpha test was also conducted to determine the instrument's reliability. The Cronbach's alpha value for the effectiveness of the CCMA section was **0.852**, and employees' perceptions of the CCMA dispute resolution procedure were **0.901**. Descriptive statistics were used to analyze the demographic characteristics of the participants. The study used factor analysis (Extraction method–principal component analysis) to identify correlations between research items. Linear regression analysis was used to measure the impact of demographic variables on the identified factors of CCMA effectiveness, with SPSS used as a statistical tool. [Bevans \(2023\)](#) and [Mali \(2024\)](#) explained linear regression as a scientific tool for predicting continuous outcomes.

FINDINGS AND DISCUSSION

The data were cleaned, coded, and captured using SPSS 29. The response rate of the participants was 51%. The demographic information of the study participants reported in Table 1 are as follows: 42,6% were women, 54,4% were men, and 3% of the respondents were other. A total of 48.5% were between 20 and 40 years old, and 51.5% were within the age of 51-65 years. A total of 77.2% of the respondents had less than 5-15 years of working experience, and 22,8% had been employed for 16-30 years. A total of 16,8% of the participants have Matric qualifications, 59,4% have undergraduate qualifications, and 23,8% have postgraduate qualifications.

Table 1. Demographic information about the participants

Demographic Characteristics	Category	Frequency	Percentage
Gender	Male	55	54.4
	Female	43	42.6
	Other	2	3.0
Age in years	20-40	49	48.5
	51-65	52	51.5
Years of experience	5-15	78	77.2
	16-30	23	22.8
Educational level	Matric	17	16.8
	Undergraduate	60	59.4
	Postgraduate	24	23.8
Types of disputes	Unfair dismissal	47	46.5
	Unfair labor practice	18	17.8
	Collective agreement	2	1.9
	Discrimination	10	9.9
	Other	47	46.5

Descriptive Statistics and Extracted Communalities

Table 2 presents the descriptive analysis of the 24 items used to determine the effectiveness and relevance of the CCMA in dispute resolution as perceived by government employees. The mean was calculated using a Likert scale ranging from 1 to 4, with a mean value of 2.0. The analysis of the results shows that all questions were above the mean. From the table, the standard deviation outcome shows little deviation of the factors from the mean value, ranging from 0.754 to 1.019.

Table 2. Descriptive Statistics and Extracted Communalities

Factor	Mean	SD	PCA (Extracted Communalities)
1. The municipality employees are familiar with the CCMA.	2.83	.849	.533
2. I am familiar with the process and procedures of the CCMA.	2.92	.880	.693
3. I have received information about my rights during the process at CCMA in case of a dispute.	2.97	.754	.648
4. I would recommend CCMA to my colleagues facing a workplace dispute	2.89	1.019	.708
5. I know the internal dispute resolution mechanism before referring to a dispute of the CCMA.	2.97	.911	.684
6. The existence of the CCMA creates a harmonious work environment.	2.79	1.023	.676
7. It was easy to access information about the CCMA services and procedures	2.80	.849	.722
8. I am encouraged to seek the services of CCMA when work disputes arise.	2.79	.962	.749
9. I understand my right to use the services of CCMA	2.97	.888	.684
10. CCMA procedures are aligned with the ever-changing needs of employees in the organisation	2.62	.820	.606
11. The CCMA effectively meets the needs of employees in the organization.	2.52	.760	.719
12. The CCMA can resolve workplace disputes fairly	2.52	.856	.754
13. The CCMA demonstrates impartiality when resolving workplace disputes.	2.55	.842	.750
14. The CCMA is timely when it comes to settling workplace issues	2.54	.819	.786
15. When I referred the problem to the CCMA, I anticipated the problem would be resolved	2.88	.816	.628
16. The referred dispute receives the needed attention	2.57	.841	.700
17. I needed knowledge of the law to understand the CCMA processes fully	2.85	.829	.521
18. The Commissioner acted reasonably throughout the hearings	2.58	.798	.666
19. The Commissioner appeared to be biased towards one of the parties.	2.11	.799	.544
20. Someone is readily available to guide me through the whole process of CCMA.	2.56	.793	.559
21. The Commission sufficiently attempted to resolve the dispute	2.68	.812	.701
22. The CCMA process was so formal I felt like I was in court	2.50	.934	.601
23. The Commissioner used too much complicated legal language in the conciliation	2.50	.912	.552
24. The dispute was resolved satisfactorily through the CCMA	2.60	1.011	.764

N = 101

Communalities were conducted using 24 research items to identify related items, and the results ranged from 0.521 to 0.764. Further factor analysis was performed using principal component analysis to determine the related factors, and any loading below 0.6 was not considered to be aligned. The analysis revealed four related components: awareness, practicality, reasonability, and ease of use (Figure 1). Any items with a factor below 0.6 were not considered to have positively added value to the variables.

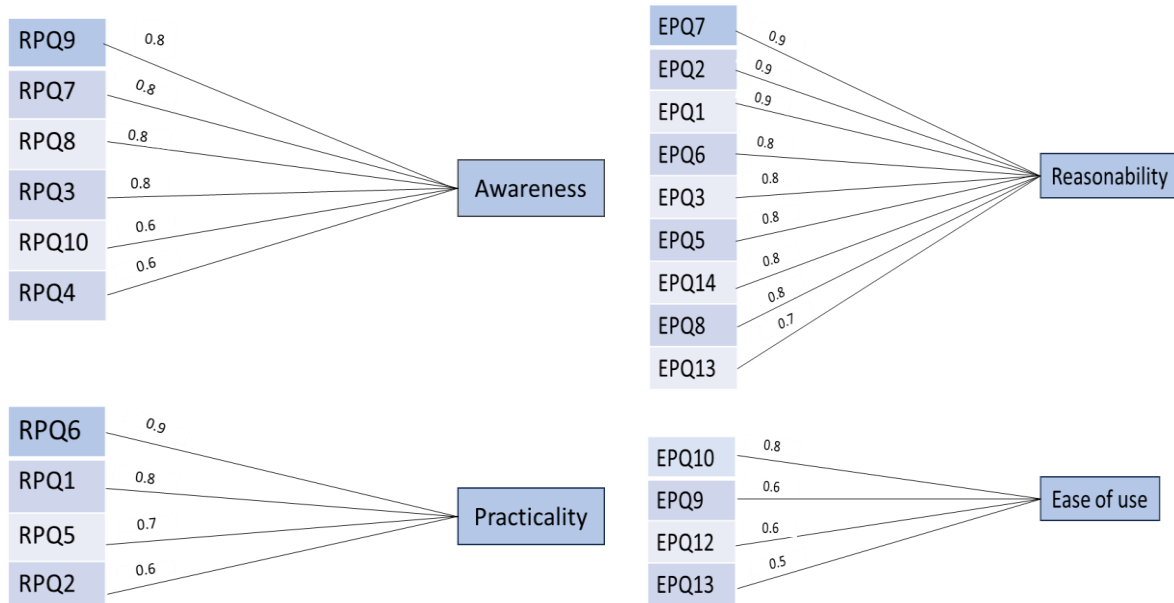


Figure 1. Factor Analysis of Connected Items

Table 3 presents the basic conditions for factor analysis that should be met. The conditions are the KMO and Bartlett's test of sphericity and determination. Kaiser-Meyer - Olkin (KMO) measure of sampling adequacy assumption ranges from 0 to 1. Any value less than 0.5 is considered inadequate for the analysis. Any value greater than 0.5 is acceptable for further analysis; however, standard levels are available according to the results. If the outcome is between 0.5 and 0.7, it is assumed to be mediocre; 0.7 to 0.8 are good; 0.8 to 0.9 are very good or great; and above 0.9 is assumed to be excellent or superb (Kaiser, 1960). The KMO result given in Table 3 is 0.902, which is slightly higher than 0.9 but less than 1, and it is assumed to be great or excellent. Therefore, factor analysis using the KMO test is acceptable for these data.

Bartlett's test of sphericity measures the significant value of the factors and confirms whether the original correlation is the same as the identity matrix. The assumption of Bartlett's test of sphericity should be less than 0.05. Bartlett's test outcome for this study is <.001, which confirms that the dataset for this analysis was appropriate.

Table 3. KMO and Barlett's Test for Effectiveness of CCMA

Kaiser-Meyer-Olkin Measure of Sampling Adequacy	.902
Bartlett's Test of Sphericity	Approx. Chi-Square
	1656.350
	df
	276
	Sig.
	<.001

Table 4. Total Variance Explained of the CCMA Effectiveness

	Initial Eigenvalue			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	Loadings % of Variance	Cumulative %
1	10.659	44.412	44.412	10.412	44.412	44.412
2	2.513	10.472	54.885	2.513	10.472	54.885
3	1.670	6.958	61.843	1.670	6.958	61.843
4	1.069	4.455	66.299	1.069	4.455	66.299
5	.900	3.749	70.048			
6	.811	3.378	73.426			
7	.790	3.290	76.716			
8	.707	2.945	79.661			
9	.622	2.590	82.251			
10	.579	2.414	84.665			
11	.492	2.051	86.717			
12	.422	1.759	88.475			
13	.390	1.625	90.100			
14	.365	1.523	91.623			
15	.314	1.310	92.933			
16	.284	1.183	94.116			
17	.245	1.023	95.139			
18	.240	.999	96.138			
19	.203	.847	96.985			
20	.184	.767	97.752			
21	.163	.679	98.431			
22	.147	.613	99.044			
23	.119	.496	99.540			
24	.110	.460	100.000			

Extraction Method: Principal Component Analysis

Table 5 explains the total variance, which consists of the initial eigenvalues and the sum of squares extracted. Each factor (component) has its initial eigenvalues. The initial eigenvalues decrease from the first to the last eigenvalues in the table. Each initial eigenvalue represents the amount explained in the total Variance. The first factor explained 44.412% of the total Variance; similarly, each of the other factors had the value it explained in the total Variance. The extraction sum of the squared loadings is the eigenvalue without rotation. The model only considers values when the initial eigenvalues are greater than 1. There are four factors whose initial eigenvalues are greater than one, and these three factors explain 66.299% of the cumulative Variance in the 24 components. The second component explained 10.472% of the total Variance. The third component explained 6.958%, and the fourth component explained 4.455% of the total variance. The components showed a huge gap between the first and second components and a consistent gap between the second, third, and fourth variables.

As a result of the variables generated through the Principal Component Analysis to measure the effectiveness of the CCMA, the study further conducted Linear regression to determine whether awareness, practicality, reasonability, and ease of use are influenced by age, gender, educational level, and years of experience of participants. Table 5-12 presents the model summary and ANOVA results for the demographic characteristics of the CCMA effectiveness using the PCA components.

Table 5. Model Summary for Age

Model	R	R Square	Adjusted R Square	Std Error of the Estimate
1	.358 ^a	.128	.092	1.005

Table 5 summarizes the model regression analysis for the age of the participants (municipality employees). The table shows the correlation between age and CCMA effectiveness. The R value was .358, which is the Pearson Correlation between awareness, reasonability, practicality, ease of use, and age. The R-square value, which explains the linear correlation coefficient, showed a 12.8% variance in the dependent variable. The adjusted R-squared value, which is the degree of fitness within the variable, is .092 for the dependent variable (age). The standard error indicates the variation in the population of the participants according to their age in response to the effectiveness of CCMA.

Table 6. ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig
1	Regression	14.233	4	3.558	3.524	.010 ^b
	Residual	96.935	96	1.010		
	Total	111.168	100			

Table 6 presents the analysis of variance (ANOVA) results for the linear regression analysis of the effectiveness of CCMA. Table 6 shows that sig = .010 ($p < 0.05$) for age and components of the CCMA effectiveness, indicating a positive significant relationship between the participant's age and the response to the CCMA effectiveness. Hence, the null hypothesis is rejected, and the alternate hypothesis, which states that there is a statistically significant relationship between the study participants and the CCMA effectiveness variable, is accepted.

Table 7. Model Summary for Gender

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.260 ^a	.068	.029	.551

Table 7 summarizes the model regression analysis for gender of the participants (municipality employees). The table shows the correlation between gender and CCMA effectiveness. The R was .260, which is the Pearson Correlation between awareness, reasonability, practicality, ease of use, and gender. The R-square, which explains the linear correlation coefficient, showed a 6.8% variance in the dependent variable. The adjusted R-squared value, which is the degree of fitness within a variable, is .029 for the dependent variable (gender). The standard error indicates the variation in the population of the participants according to their gender in response to the effectiveness of CCMA.

Table 8. ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2.110	4	.527	1.739	.148 ^b
	Residual	29.118	96	.303		
	Total	31.228	100			

Table 8 shows the analysis of variance (ANOVA) results for the linear regression analysis of the effectiveness of CCMA. Table 8 shows that sig = .0148 ($p > 0.05$) for gender, indicating a positive relationship between gender and the elements of CCMA effectiveness. The null hypothesis was accepted because there was no statistically significant difference in the effectiveness of CCMA between gender and factors.

Table 9. Model Summary for Years of Working Experience

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.330 ^a	.109	.071	1.261

Table 9 summarizes the model regression analysis for the years of working experience of the study participants (municipality employees). The table shows the correlation between years of working experience and CCMA effectiveness. The R-value was .330, which is the Pearson Correlation between awareness, reasonability, practicality, ease of use, and years of working experience. The R-squared value, which explains the linear correlation coefficient, showed a 10.9% variance in the dependent variable. The adjusted R-squared value, which is the degree of fitness within the variable, is .071 for the dependent variable (years of working experience). The standard error indicates the variation in the population of the participants according to their years of working experience in response to the effectiveness of CCMA.

Table 10. ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	18.592	4	4.648	2.924	.025 ^b
	Residual	152.596	96	1.590		
	Total	171.188	100			

Table 10 presents the analysis of variance (ANOVA) results for the linear regression analysis of the effectiveness of CCMA. Table 10 shows sig = .0025 ($p < 0.05$), an indication of a positive significant relationship between participants' years of working experience and their response to the effectiveness of CCMA. The null hypothesis is rejected, and the alternate hypothesis is accepted.

Table 11. Model Summary of Educational Qualifications

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.221 ^a	.049	.009	1.446

Table 11 presents the summary of the model regression analysis for the educational qualifications of the study participants (municipality employees). The table shows the correlation between educational qualifications and the effectiveness of CCMA. The R was .221, which is the Pearson Correlation between awareness, reasonability, practicality, ease of use and educational qualifications. The R-squared value, which explains the linear correlation coefficient, showed a 4.9% variance in the dependent variable. The adjusted R-squared value, which is the degree of fitness within the variable, is .009 for the dependent variable (educational qualifications). The standard error indicates the variation in the population of the participants according to their educational qualifications in response to the effectiveness of CCMA.

Table 12. ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	10.266	4	2.566	1.228	.304 ^b
	Residual	200.685	96	2.090		
	Total	210.950	100			

The educational qualifications of the participants showed a sig = .304 ($p > 0.05$), which showed no significant relationship with the effectiveness of CCMA. The null hypothesis is accepted, and the alternative hypothesis is rejected.

There is hardly an existing literature that considered the demographic perceptions of CCMA effectiveness. The findings align with the goal of establishing a CCMA for effective dispute resolution. However, the disparity based on the demographic perspective is expected to express the individual participant's experience of the institution. According to [Bendeman \(2006\)](#), the parties to the CCMA dispute resolution process are not equipped to function within the system created by the Labor Relations Act. However, the conflict theory suggests that organizations are composed of various sectional groups with different values, interests and objectives. There is a divergence in values and aspirations between employees and management, even among employees, leading to conflict in their respective value systems. According to conflict theorists, conflict is seen as a natural and expected occurrence within organizations. It is viewed as a rational and functional aspect that can be resolved through compromise, agreement, or collective bargaining ([Anjali, 2020](#)). The effectiveness of labor dispute resolution has mostly been explored from a racial perspective in South Africa ([Ferreira, 2004](#)); however, there is a general notion beyond race that agrees that the CCMA dispute resolution system is lengthy, complex, expensive, and full of technicalities ([Mphahlele, 2016](#); [Blignaut, 2018](#); [Olabiyi, 2022](#)). [Bhorat et al. \(2007\)](#) further explained the various jurisdictions across sectors and disputes covered by the CCMA, demonstrating that the CCMA is responsible for more than 70% dispute resolution in South Africa and covers sectors not considered by other bargaining agents, such as the domestic and agricultural sector.

CONCLUSIONS

The results showed that the CCMA's effectiveness can be determined based on the workforce awareness of its activities by using PCA factor analysis to identify related variables from the research items. Similarly, the practicality of the CCMA practices and procedures in light of its original mandate is also identified as a determinant of its effectiveness. Likewise, reasonability is another criterion identified to check the modest expectation of the CCMA of its client to navigate the system and obtain the expected outcome for any referred dispute. Finally, the ease of using the CCMA service was identified as a qualifier for its effectiveness. Based on these findings, the CCMA faces serious financial strain, negatively impacting its ability to perform its mandate and rendering the institution ineffective. It is therefore recommended that the CCMA work toward a partially self-sustainable state rather than relying solely on government funding. One of the ways this can be achieved is by charging a small fee to parties referring a dispute to the CCMA. Alternate bargaining councils should also be created for some sectors to reduce the backlogs of CCMA ([Bhorat et al., 2007](#)). Not only will this discourage parties from referring feverous claims, but it will also help reduce the strain on the administration. According to [Nupen \(2013\)](#), close to a quarter of the Independent Mediation Service of South Africa (IMSSA), the body that was replaced by the post-democracy CCMA, was funded by cooperation and labor unions. CCMA can adopt a similar strategy. Dealing with CCMA's budget constraints will solve most of the factors causing a stain on CCMA's

effectiveness, such as minimizing the corruption in the institution, commissioners being short-staffed, the backlog of cases, and even funding the CCMA's outreach programs. The commission should provide both blue- and white-collar employees with consistent training on how to navigate the administration of the reporting process to accommodate different categories of employees.

LIMITATION & FURTHER RESEARCH

The data were collected from the municipality employees in Mbombela. Hence, the result cannot be generalized regarding the effectiveness of the CCMA in South Africa. In addition, the study participants consisted of employees who have previously used the CCMA, which means their perceptions may not be based on the recent performance of the CCMA. The future study will explore the possibility of gathering data from across the province and from recent CCMA clients to generate representative data. The effectiveness of an institution can also be determined by the resources available to perform its duties. Further study will explore the perceptions of CCMA employees regarding the effectiveness of the institution based on the available resources.

REFERENCES

- Albertyn, W. (2012). *Bringing trivial cases to the CCMA*. Retrieved on May 12, 2023 from <https://labourman.co.za/bringing-trivial-cases-to-the-ccma/>
- Ampeire, P. (2017). ADR in South Africa: A brief overview. Retrieved on February 2, 2024 from <https://imimmediation.org/2017/12/09/adr-south-africa-brief-overview/>
- Andre. (2023). *Negligence – a ground for disciplinary action*. Labour Guide South Africa. Retrieved on March 7, 2023 from <https://labourguide.co.za/general/negligence-a-ground-for-disciplinary-action>
- Animashaun, O., & Odeku, K. O. (2014). Industrial conflict resolution using court-connected alternative dispute resolution. *mediterranean Journal of social sciences*, 5(16), 683to691. <http://dx.doi.org/10.5901/mjss.2014.v5n16p683>
- Anjali, A., Sivakumar, S. D., Hemalatha, S., & Selvaraju, P. (2020). A Study on Employer Branding in Seed Sector in Tamil Nadu. *Journal of Economics, Management and Trade*, 26(9), 1-10. <https://doi.org/10.9734/jemt/2020/v26i930285>
- Bagraim, M. (2023). CCMA, The only labour department that actually works. *IOL*. Retrieved on March 11, 2024 from <https://www.iol.co.za/capeargus/opinion/ccma-the-only-labour-department-that-actually-works-dea100a6-d473-41fe-b00a-7c2681728f0e>
- Barry, B. M. (2021). Workplace Dispute Resolution in Ireland at a Crossroads: Challenges and Opportunities. *66 The Irish Jurist* 44. <http://doi.org/10.21427/87.5-kn74>
- Bendeman, H. (2006). An Analysis of the Problems the Labour Dispute Resolution System in South Africa. Retrieved on December 14, 2024 from <https://www.accord.org.za/ajcr-issues/%EF%BF%BCan-analysis-of-the-problems-of-the-labour-dispute-resolution-system-in-south-africa/>
- Benjamin, P. (2013). Assessing South Africa's Commission for Conciliation, Mediation and Arbitration (CCMA). *Governance and Tripartism Department International Labour Office*. Retrieved on March 20, 2024 from https://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---dialogue/documents/publication/wcms_210181.pdf
- Bevans, R. (2023). Simple Linear Regression/ An Easy Introduction & Examples. <https://www.scribbr.com/statistics/simple-linear-regression/>
- Bhorat, H., Pauw, K. & Mncube, L. (2009). Understanding the Efficiency and Effectiveness of the Dispute Resolution System in South Africa. An Analysis of CCMA Data. Development Policy Research Unit Working Paper 09/137, ISBN: 978-1-920055-73-8.
- Blignaut, C. (2018). The effectiveness of conciliation as an alternative dispute resolution process in

- an unfair dismissal disputes. An Unpublished Dissertation, University of Pretoria.
- Borba, I. M. (2009). *International Arbitration: A Comparative Study of the AAA and ICC Rules*. Master's Theses. https://epublications.marquette.edu/theses_open/20
- Botes, J. (2023, July 7). *South Africa: Who will watch the watchers?* Global Compliance News. Retrieved on March 20, 2024 from <https://www.globalcompliancenes.com/2021/10/06/south-africa-who-will-watch-the-watchers140921/>
- Brändle, T. (2021). *Works Councils and Flexible Collective Bargaining Agreements*. *Nettesheim*. Retrieved on March 20, 2024 from https://www.academia.edu/66457901/Works_Councils_and_Flexible_Collective_Bargaining_Agreements
- Bushe, B. (2019). *The Efficacy of Alternative Dispute Resolution (ADR) in Labour Dispute Resolution: A Critical Comparative Analysis of Botswana, South Africa and Zimbabwe*. Retrieved on March 20, 2024 from https://www.academia.edu/93785811/The_efficacy_of_alternative_dispute_resolution_ADR_in_labour_dispute_resolution_a_critical_comparative_analysis_of_Botswana_South_Africa_and_Zimbabwe
- CCMA. (2011). 2011/2012 Annual Report. Report. CCMA Publications. Johannesburg
- CCMA. (2022). 2022/2023 Annual Report. Report. CCMA Publications. Johannesburg
- Derfordly, M. (2020). *Bargaining Councils, what are they?* Retrieved on April 13, 2023 from <https://fincor.co.za/bargaining-councils-what-are-they/>
- Dix, G. & Barber, B. (2015). The Changing Face of Work: Insight from ACAS. *Employee Relations* 37(6): 670-682. <https://doi.org/10.1108/ER-03-2015-0056>
- Ferreira, G. (2004). The Commission for Conciliation, Mediation and Arbitration: its effectiveness in dispute resolution in labour relations. *Politeia*, 23(2), 73-85. <https://hdl.handle.net/10520/EJC88105>
- Fraser, L. (2024). CCMA warning for businesses in South Africa. *BusinessTech*.
- Hann, D., Latreille, P., Nash, D., & Saundry, R. (2023). Custodians of contemporary pluralism? Acas' evolving role in addressing conflict during a time of economic and regulatory flux. *Industrial Relations Journal*, 54(4-5), 321-340. <https://doi.org/10.1111/irj.12411>
- Heron, R., L. (2013). *Labour Dispute System Guidelines for Improved Performance*. Retrieved on May 8, 2023 from https://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---dialogue/documents/publication/wcms_211468.pdf
- Jordaan, B. (2019). Mediation and Conciliation in Collective Labor Conflicts in South Africa. *Mediation in Collective Labor Conflicts*, 293-308. https://doi.org/10.1007/978-3-319-92531-8_19
- Kaiser, H. F. (1960). The application of electronic computers to factor analysis. *Educational and psychological measurement*, 20(1), 141-151. <https://doi.org/10.1177/001316446002000116>
- Kwakwala, B. O. K. (2010). *A critical evaluation of the dispute resolution functions of the Commission for Conciliation, Mediation and Arbitration (CCMA)* (Doctoral dissertation, Stellenbosch: University of Stellenbosch).
- Levy, A., & Venter, R. (2022). *Labour Relations in South Africa*. 6th Ed. Cape Town: Oxford.
- Machete, M. (2022). *Legal analysis of the effectiveness of arbitration process in unfair dismissal dispute: South African perspective* (Doctoral dissertation).
- Maier, C., Thatcher, J. B., Grover, V., & Dwivedi, Y. K. (2023). Cross-sectional research: A critical perspective, use cases, and recommendations for IS research. *International Journal of*

- Information Management*, 70, 102625. <https://doi.org/10.1016/j.ijinfomgt.2023.102625>
- Mali, K. (2024). Linear Regression: A Comprehensive Guide. Available online: <https://www.analyticsvidhya.com/blog/2021/10/everything-you-need-to-know-about-linear-regression/> Retrieved August 31 2024
- Malope, L. (2019). CCMA Deals with a Record Number of Cases. *City Press*. Retrieved on March 23, 2024 from <https://www.news24.com/citypress/business/ccma-deals-with-record-number-of-cases-20191020>
- Marrow, P. B. Karol, M., & Kuyan, S. (2020). Artificial Intelligence and Arbitration: The Computer as an Arbitrator- Are We There Yet? *Dispute Resolution Journal* 74(4): 35-76
- Mndebele, M. (2021, May 15). *Desperate workers say the CCMA is failing them*. The Mail & Guardian. Retrieved on February 15, 2024 from <https://mg.co.za/business/2021-05-03-desperate-workers-say-the-ccma-is-failing-them/>
- Mohajan, H. K. (2020). Quantitative research: A successful investigation in natural and social sciences. *Journal of Economic Development, Environment and People*, 9(4), 50-79.
- Moolla, A. (2020, August 8). *THE CCMA PROCESS: The Definitive Guide*. Legal Leaders. Retrieved on February 17, 2024 from <https://legal-leaders.co.za/law/ccma-guides/the-ccma-process-the-definitive-guide/>
- Mphahlele, W. K. (2016). *The Labour Relations Disputes Resolution System is it Effective* (Master's thesis, University of Pretoria (South Africa)).
- Musukubili, F., & Van der Walt, A. (2014). The Namibian labour dispute resolution system: some lessons from South Africa. *Obiter*, 35(1), 126-135. <https://doi.org/10.17159/obiter.v35i1.11944>
- Mwasikakata, M., & Martins, P. S. (2017). *Assessment of public employment services and active labour market policies in Namibia* (No. 994974190002676). International Labour Organization.
- Mzangwa, S. T. (2015). Legislation and employment relations in South Africa: A narrative overview of workplace dispute. *Journal of Governance and Regulation*, 4(4), 167-177.
- Naidoo, M. (2020). *Bargaining Councils*. Retrieved on March 29, 2024 from <https://blog.seesa.co.za/index.php/2020/10/21/bargaining-councils/>
- Ndavahoma-Indongo, M. N. (2021). Proposal on Dispute Prevention and Resolution in Namibia, Unpublished Master's Dissertation, University of Western Cape.
- Nupen, C. (2013). Mediation and Conflict Resolution in South and Southern Africa. *ACCORD*. Retrieved on May 8, 2024 from <https://www.accord.org.za/ajcr-issues/mediation-and-conflict-resolution-in-south-and-southern-africa/>
- Nwabuko, O. (2024). An Overview of Research Study Designs in Quantitative Research Methodology. *American Journal of Medical and Clinical Research & Reviews*, 3(5), 1-6. <https://doi.org/10.58372/2835-6276.1169>
- Olabiyi, O. J. (2022). A Study of conflict resolution mechanisms and employment relations in multinational corporations in Africa: Empirical evidence from Nigeria and South Africa. *SA Journal of Human Resource Management* 20(0), a1900 <https://doi.org/10.4102/sajhrm.v20i0.1900>
- Pentang, J. (2023). Quantitative research instrumentation for educators.
- Rapatsa, M. (2018). The Commission for Conciliation, Mediation and Arbitration (CCMA) and Alternative Dispute Resolution (ADR) in Labour Relations in South Africa: An Appraisal of Efficacy and Challenges. *JEL*, pp. 8, 202-211. Retrieved on April 23, 2024 from <https://www.ceeol.com/content-files/document-778746.pdf>
- Rebus, D. (2019). Jurisdiction of the Labour Court – the Conundrum Continues. Retrieved on August 20, 2023 from <https://www.derebus.org.za/jurisdiction-of-the-labour-court-the->

conundrum-continues/

- Setia, M. S. (2016). Methodology series module 3: Cross-sectional studies. *Indian journal of dermatology*, 61(3), 261-264.
- Singh, A. (2022). *How the Terms and Conditions of Bargaining Councils fit in with the Labour Relations Framework*. Retrieved on April 23, 2023 from <https://ceosa.org.za/how-the-terms-and-conditions-of-bargaining-councils-fits-in-with-the-labour-relations-framework/>
- Slate, W. K. (1998). Recent Development in the American Arbitration Association. *ICSID Review-Foreign Investment Law Journal* 13(1), 5-6. <https://doi.org/10.1093/icsidreview/13.1.5>
- Stuart, M. and Lucio, M. M. (2008). The New Benchmarking and Advisory State: The Role of the British Advisory, Conciliation and Arbitration Service in Facilitating Labour-Management Consultation in Public Sector Transport. *Journal of Industrial Relations* 50(5), 736-751. <https://doi.org/10.1177/0022185608096807>
- Thomas, D., & Zubkov, P. (2023). *Quantitative Research Designs* (pp. 103-114).
- Urwin, P., (2016). *Estimating the Economic Impact of ACAs Services*. Centre for Employment Research University of Westminster. ISBN 978-1-908370-72-3