

TRANSFORMING LABOR RELATIONS

A “bad” relationship is no more a recipe for successful change in a union-management relationship than is bankruptcy the route to business success. Somehow, not just one party, but both parties must find a way out of the hole they have dug for themselves. Either, as in the two stories in this program, leaders make change themselves in their own behaviour, or as in most other cases, change awaits a “change-out” of the leadership.

Note: After viewing [PDF](#) or [Good Reading](#) references, Click Browser’s BACK button to return to this page.

OVERVIEW:

Between an employee organization and an employer, there is always, de facto, a relationship. The question is, whether it is a “good” or “bad” relationship, i.e. process of interaction between the parties.

The test of a “Good” Relationship is whether we believe it provides us: a) what we want--solid substantive outcomes, b) peace of mind, and c) an ability to deal with differences. If these basic needs are being met for one or both parties, any effort to improve the relationship will likely be unnecessary or unproductive, no matter how conflict-full the relationship may appear to be to an outsider.

The key to a relationship-building effort is a sincere acknowledgement by *both* parties that their relationship is unproductive and “broken”, and that this situation should not continue. Then, the strength of their convictions will be tested by their willingness to provide resources and leadership for a re-building effort.

Furthermore, each party in the relationship must accept that it, itself, is at least partly responsible for the poor quality of the relationship. To focus entirely on the way “they—the other party—is treating us” is a recipe for blame-letting, not relationship-building. Change has to start with what each party can do to change that which it controls directly, namely, its own behaviour. Fortunately, in most cases, each party can make change that is *unconditionally constructive*. (For example, try hard to understand the other party—it is good for the relationship because the better I understand you, the fewer collisions we will have, and it is good for me, because the less I shoot in the dark, the better solutions that I can invent and the better able I am to influence you.)

Nevertheless, for solid breakthroughs to occur, as illustrated within the two stories in our program “**Transforming Labour Relations**”, most of the following conditions for success need to apply:

- ◆ **Power Shift** – the realization that neither side can “defeat” the other, although each is in a position to impose serious damage on the other.
- ◆ **External Pressures** – key external stakeholders to which the parties must listen want the “adversaries” to resolve their differences.
- ◆ **Facilitation** – to help the parties get through some burning issues, to assist with communication to ensure each party is listening to the other, to serve as a respected sounding board and provide an objective “third” perspective, and to coach the parties on some new techniques for their interaction.

- ◆ Internal Relations – each “side sorts through their own internal differences in order to approach problem-solving with a coherent voice.
- ◆ Personalities – sufficient respect exists between a few individuals on either “side” to form a basis for building a broader and higher level of trust between the parties.
- ◆ ‘Ceasefire’/’Standstill’ – creates time and some ‘non-blame’ space to resolve more fundamental problems, given that the ‘ceasefire’/’standstill’ has aspects that are important to both sides.

Often, it takes considerable effort and time to develop these conditions. Once having done so, there are various similar processes to re-build the relationship. What they share are some common principles:

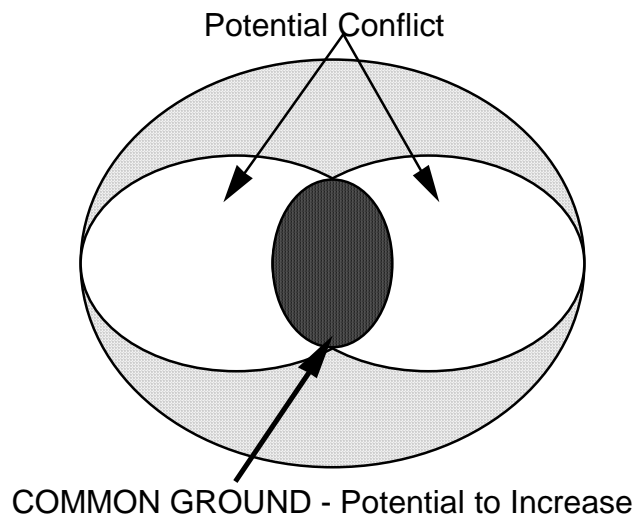
- ◆ People and organizations acknowledging the legitimacy of each other’s existence – and the potential value that the other party can bring to the solving of issues/problems.
- ◆ Understanding ‘Needs’ versus ‘wants’ – each party needs to be as Open as possible about their underlying interests, so that those interests can be clearly Understood by the other party, (and thus, interests are neither suppressed nor hidden).
- ◆ Innovative Thinking – a willingness to get “out of the box”, so that alternatives are explored and assessed, maybe even tested, leading to new and different approaches to solve longstanding problems.
- ◆ Letting Go of Certainty – ability to take calculated risks and deal with the unknown dimensions of solutions that are fundamentally different from what the parties are accustomed.
- ◆ New Skills – with the help of some “coaching” and some success in problem-solving, both sides come to realize that it is possible to work together on some issues even though they don’t agree on everything, and people learn how to listen, and are sometimes capable of empathy.
- ◆ New Accountabilities – not only to one’s own interests and constituents, but also towards effective follow-through on commitments made to other parties, and to the success of other parties.
- ◆ Effective Transition – development of new solutions, new attitudes, and new skills does not occur in one wave of change, but rather in phases which combine new and old practices in ambiguous states of transition which people must anticipate and for which they must have effective support and strategies.
- ◆ Leadership – all of the above relies upon the courage of at least a few individuals to step forward and initiate new behaviour (that breaks out of the ‘straight-jacket’ of the past) and about which there must be effective communication with fellow constituents.
- ◆ Fundamental issues are addressed – although this is not necessarily where the process starts, the commitment and credibility associated with joint problem-solving depends upon a resolve to issues that are significant to both parties.

- ◆ Dual Reality – a recognized need and an enhanced ability for the parties to work together on solutions/objectives and be in some degree of conflict at the same time. Success is a function of both maximizing common benefits and resolving (not minimizing) disparate conflict.

These principles are embodied in the specific processes used at the two worksites in our program “**Transforming Labour Relations**”. One of the processes is referred to as ‘RBO’: Relationship by Objectives (see *Good Reading*, “[Union-Management Relationship-Building: A Primer](#)”). The simplicity and power of such a process as ‘RBO’ is that the intersection of interests exists for ‘common ground’ in almost all labour relations, although the parties often do not “see” this reality because of their preoccupation with “battle”.

Identifying meaningful common objectives, that spring from the strategic interests of each party, (even if those interests are substantially different) is the basis for “The Proving Ground—Joint Ventures”. And, there is a virtuous cycle here—usually, success in a small number of joint ventures expands the size and potential of the ‘common ground’. However, it is vitally important that common objectives be developed in a full context that includes simultaneous existence of disparate interests as a source of potential conflict.

Fig. 5: Labour-Management Participation Model



There fore, in order to be successful with joint ventures, labour and management must also be effective at resolving conflict. “Conflict competence” is a key skill for “good” labour relations. Evidence of the ability for labour and management to develop joint ventures and maintain this “dual reality” exists in both Stories within “**Transforming Labour Relations**”, as well as a number of case studies, including Story Chapters 1, 3, and 4 within a companion program in the DVD Collection, “[Beyond Collision](#)”. See also a public sector case study in *Good Reading*, Ryberg & Haynes: “[Establishing and Sustaining Effective Communications between Labour and Management](#)”, and Swayze & Bromilow: “[Not Just an Operator: How Manitoba Telephone System & CEP Implemented Work Redesign](#)”

In both situations featured in “**Transforming Labour Relations**”, the re-building process employed skilled facilitation for a period of time until the parties had learned new behaviours and new opportunities of common purpose. Facilitation, unlike mediation, relies almost entirely on the parties themselves to craft the solutions (see “[Multiple Roles of “Facilitator”](#)”).

These examples can be compared with the dramatic turnaround (Story 4) in our other labour relations documentary in the DVD Collection, “**Beyond Collision**” (see [Four Cases: NorskeCanada & CEP](#)). In this case, the company ownership and management personnel changed-out completely. (Union leadership remained constant.) However, the employer representatives were carefully selected for their ability to apply values and practices very consistent with the principles above.

Although there are other well-known cases of a turnaround in labour-management relations, what is distinctive about the stories in both programs, “**Beyond Collision**” and “**Transforming Labour Relations**” is the extent to which the parties sustained change in their relationship, even withstanding fluctuations in the economy and changes in corporate ownership and central union leadership.

In both cases, the parties have made the relationship change into a change in their daily way of working. They developed new skills and new roles as union representatives, workers, supervisors, and managers. Moreover, they have used collective bargaining as a platform for organizational change, at the same time that certain organizational initiatives have sometimes been taken to release the strain on labour relations.

This interactive effect displays the characteristics of a “double helix” relationship, in which the “strand” of one dimension (labour relations) intertwines and supports another strand (organization development). These organizational dimensions are also linked by some governing or dialogue mechanism, (e.g. Joint Standing Committee or Presidents’ Council.) The strength of the “double helix” is also the “bands” of cross-over skills, often newly-developed, that support the effectiveness of both dimensions (see *Good Reading*, M. Alexander: “[A Comprehensive Model for Understanding and Implementing Workplace Change & Improving Labor-Management Relations](#)”).

SAMPLE THEMES:

- i) **Initiating Change** in the pattern of Labour Relations.
See: “[Transforming Labour Relations](#)”
Story 1: Chapter 2, Breakthrough
Story 2: Chapter 2, RBO “Relationship-by-Objectives”;
See also: “[Beyond Collision](#)”
Chapter 4: NorskeCanada & CEP.
- ii) **Open Communications.**
See: “[Transforming Labour Relations](#)”
Story 1: Chapter 2, Breakthrough;
See also: “[Beyond Collision](#)”
Chapter 1: Calgary Lab Services & HSAA.
- iii) **Common Objectives** and Action.
See: “[Transforming Labour Relations](#)”
Story 1: Chapter 3, The Proving Ground—Joint Ventures;
Story 2: Chapter 3: Solving Problems on-the-job
See also: “[Beyond Collision](#)”

Chapter 2: Canadian Pacific Railway & Teamsters Rail Conference
Chapter 4: NorskeCanada & CEP.

- iv) **Focus on Problem-Solving**, and **Conflict Competence**.
See: "[Transforming Labour Relations](#)"
Story 2: Chapter 4, Solving Problems on-the-job;
See also: "[Beyond Collision](#)"
Chapter 1: Calgary Lab Services & HSAA
Chapter 3: National Defense & UNDE.
- v) **Joint Ventures** are one of the significant growth points for union-management relations.
See: "[Transforming Labour Relations](#)"
Story 1: Chapter 3, The Proving Ground—Joint Ventures;
See also: "[Beyond Collision](#)"
Chapter 2: Canadian Pacific Railway & Teamsters Rail Conference
Chapter 4: NorskeCanada & CEP;
See also "[Responsible Self-Management](#)"
Story 2: Chapter 1, Total Involvement Organization.
- vi) **Aim for 'Win-Win'**.
See: "[Transforming Labour Relations](#)"
Story 1: Chapter 4, Win-Win & A Learning Organization;
See also: "[Beyond Collision](#)"
Chapter 1: Calgary Lab Services & HSAA
Chapter 2: Canadian Pacific Railway & Teamsters Rail Conference
Chapter 4: NorskeCanada & CEP.
- vii) **Values & Beliefs** are at the 'root' of a "good" or "bad" relationship.
See: "[Transforming Labour Relations](#)"
Story 1: Chapter 3, The Proving Ground—Joint Ventures
Story 2: Chapter 5, Sustaining a New Union-Management Relationship;
See also: "[Beyond Collision](#)"
Chapter 1: Calgary Lab Services & HSAA
Chapter 4: NorskeCanada & CEP.
- viii) **New Roles for Labour & Management** have to emerge for a new relationship to sustain.
See: "[Transforming Labour Relations](#)"
Story 1: Chapter 5, Collective Bargaining & Organization Change
Story 2: Chapter 4, Solving Problems on-the-job;
See also: "[Beyond Collision](#)"
Chapter 2: Canadian Pacific Railway & Teamsters Rail Conference
Chapter 3: National Defense & UNDE
Chapter 4: NorskeCanada & CEP.
- ix) Achieving a synergy between **Collective Bargaining & Organization Change** seems to be a key factor in sustaining a new union-management relationship.

See: "[Transforming Labour Relations](#)"

Story 1: Chapter 5, *Collective Bargaining & Organization Change*

Story 2: Chapter 4, *Solving Problems on-the-job*;

See also: "[Beyond Collision](#)"

Chapter 2: *Canadian Pacific Railway & Teamsters Rail Conference*

Chapter 4: *NorskeCanada & CEP*.