

# Smart Workplaces

Demonstrating the link between cooperative workplace relations and productive outcomes  
– *an emerging case study*

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# Smart Workplaces project requirements

1. A sound existing set of workplace relations in a unionised setting (an exercise in “from good to great”)
2. Interested, willing & imaginative parties
3. An openness to facilitation
4. A full stakeholder model of workplace relations (proper stakeholder recognition; no “third party” abuse)

# The Smart Workplaces engagement fronts and engagement flow

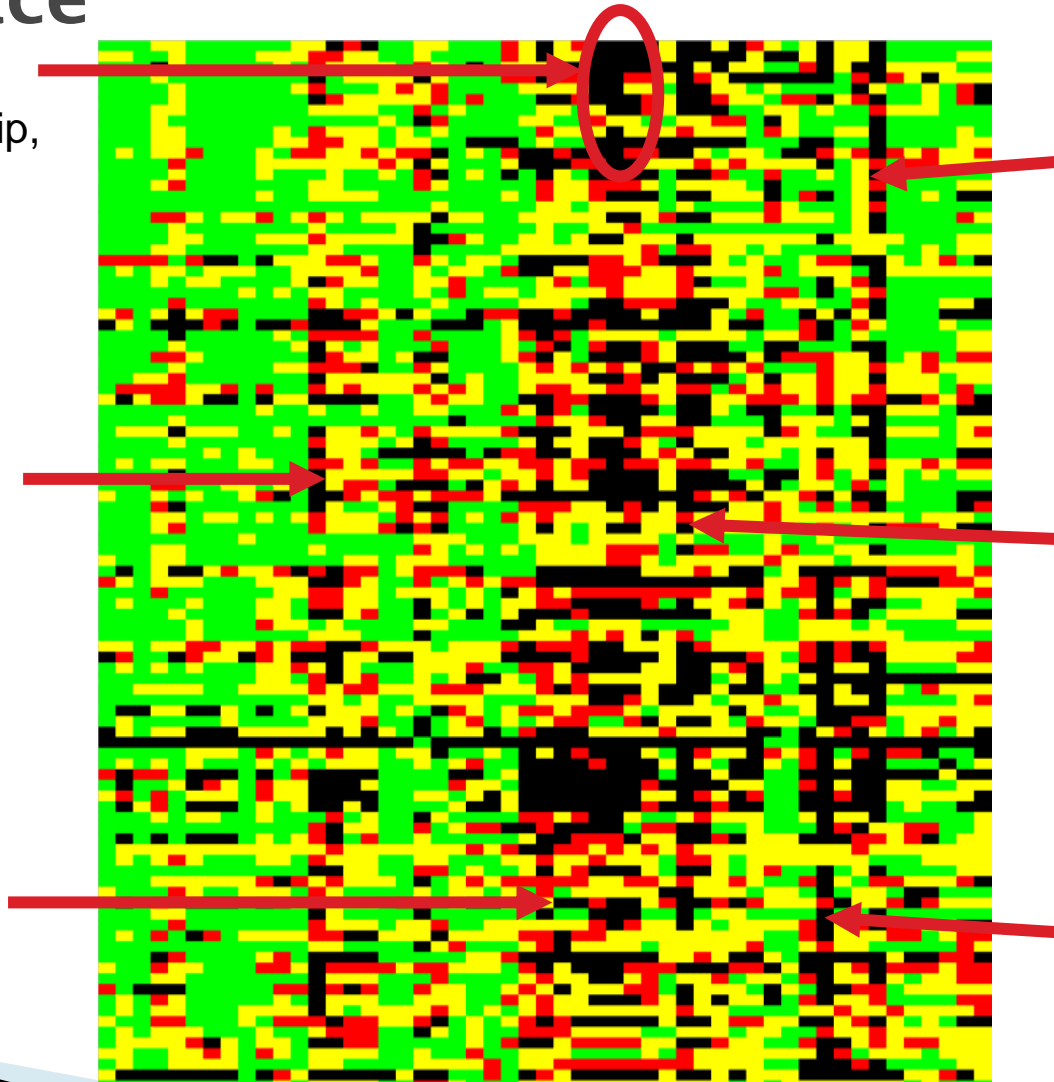
1. A “whole relationship” perspective – an initial appraisal via *Perception Mapping*, an initial engagement via an inclusive relationship review workshop, and a continuing and comprehensive engagement strategy
2. Mutual gains (interest-based) bargaining
3. Joint business process initiatives

# Perception Map (DNA) of a blighted workplace

Management  
union relationship,  
trusting,  
constructive

The culture of  
the company is  
consistent,  
and standards  
are  
consistently  
applied

Employee  
morale

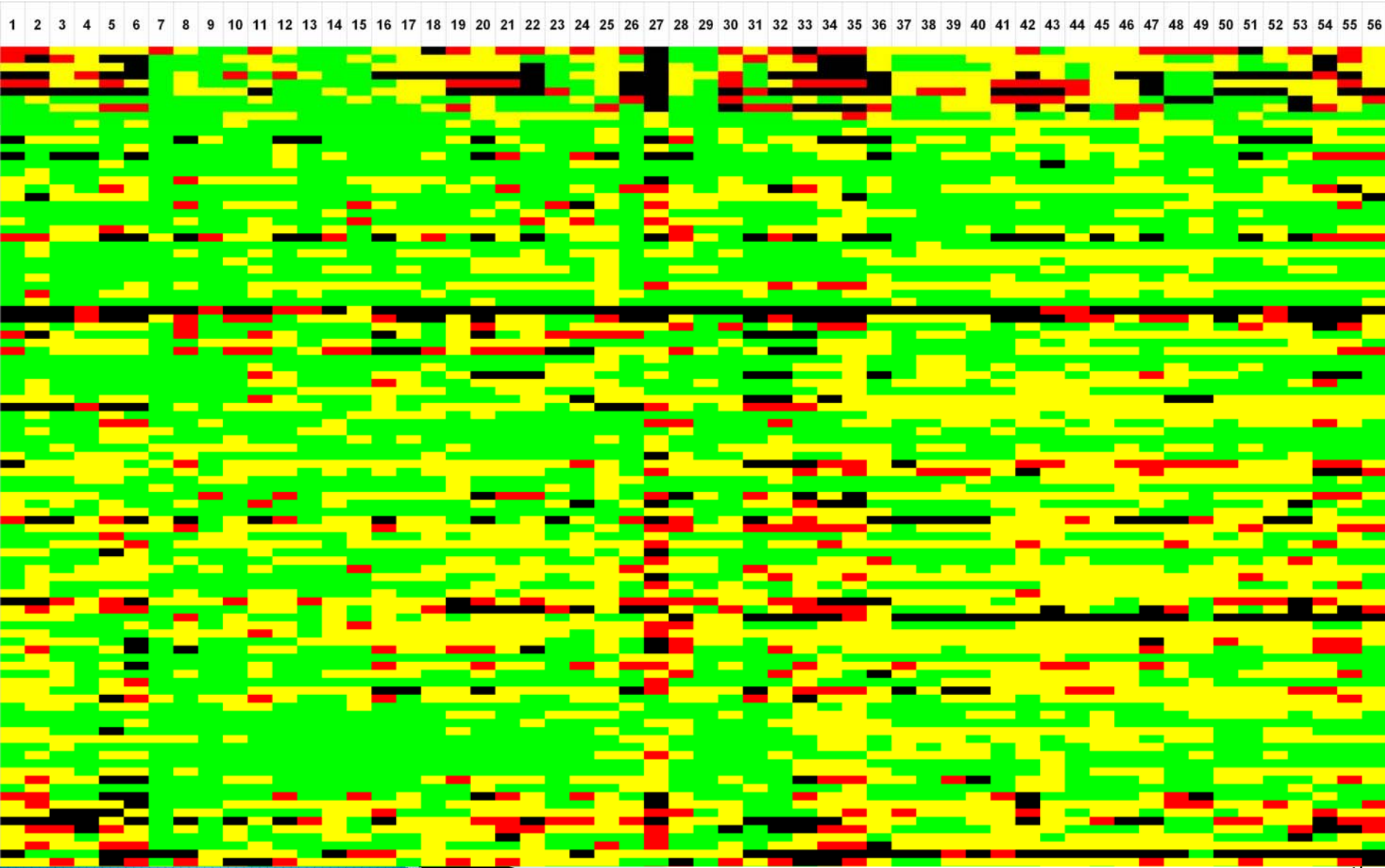


The current  
state of IR will  
help make the  
company  
successful

Bargaining  
was  
commenced &  
finished  
efficiently

The HR  
department is  
doing a good job

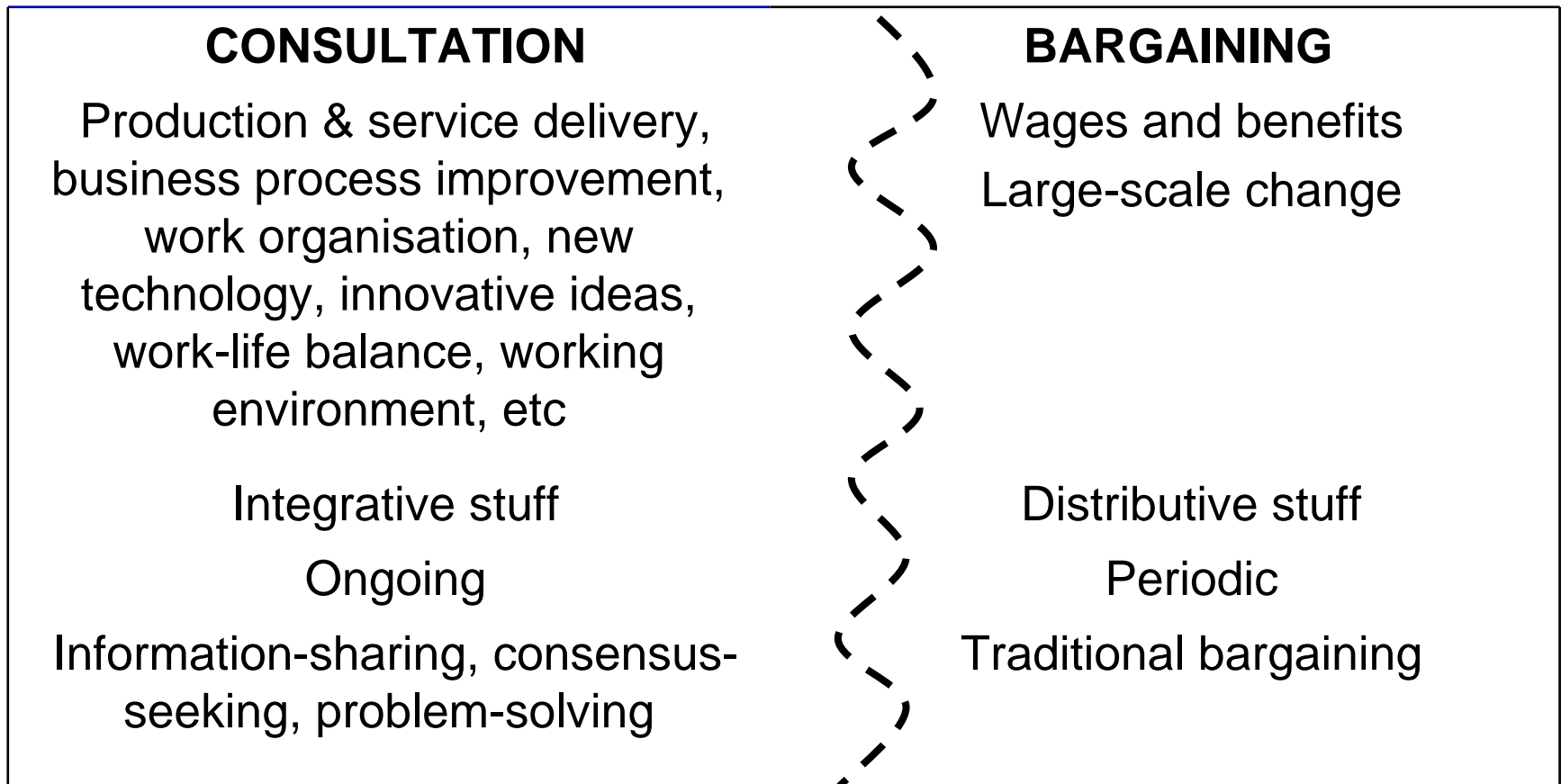
# The Perception Map signature of the pilot site



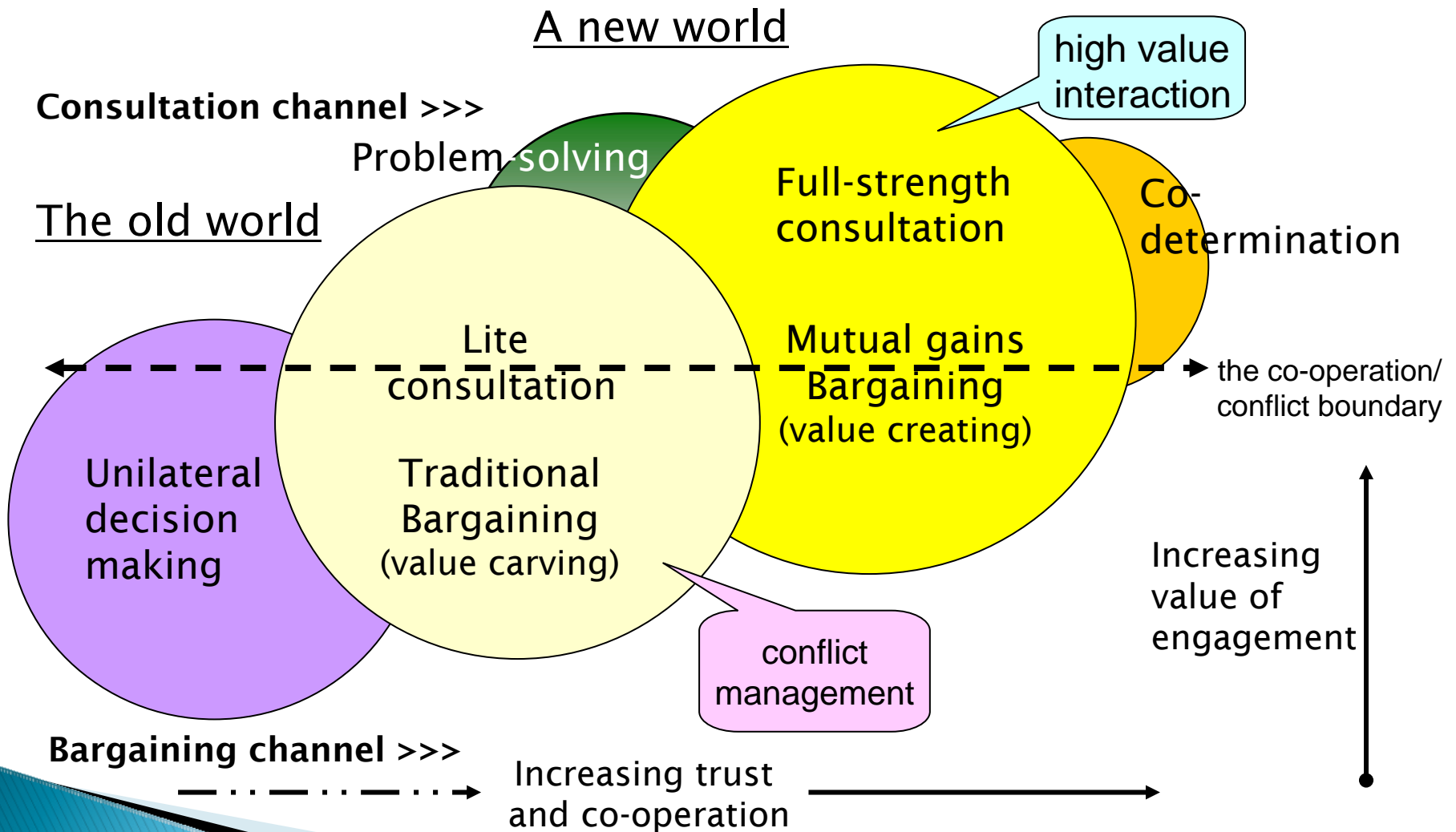
# CoSolve's expected top ten in great workplaces

1. Mutual trust
2. Mutual respect
3. Open communications
  
4. A sense of equity
5. Fair pay and conditions
6. Opportunities for participation (scope to be heard, and to contribute)
7. Safe environment
8. Enjoyable environment, with work-life balance
9. Pride in work, accomplishment at work
10. Opportunities to grow

# Dual channel workplace relations



# Models of engagement



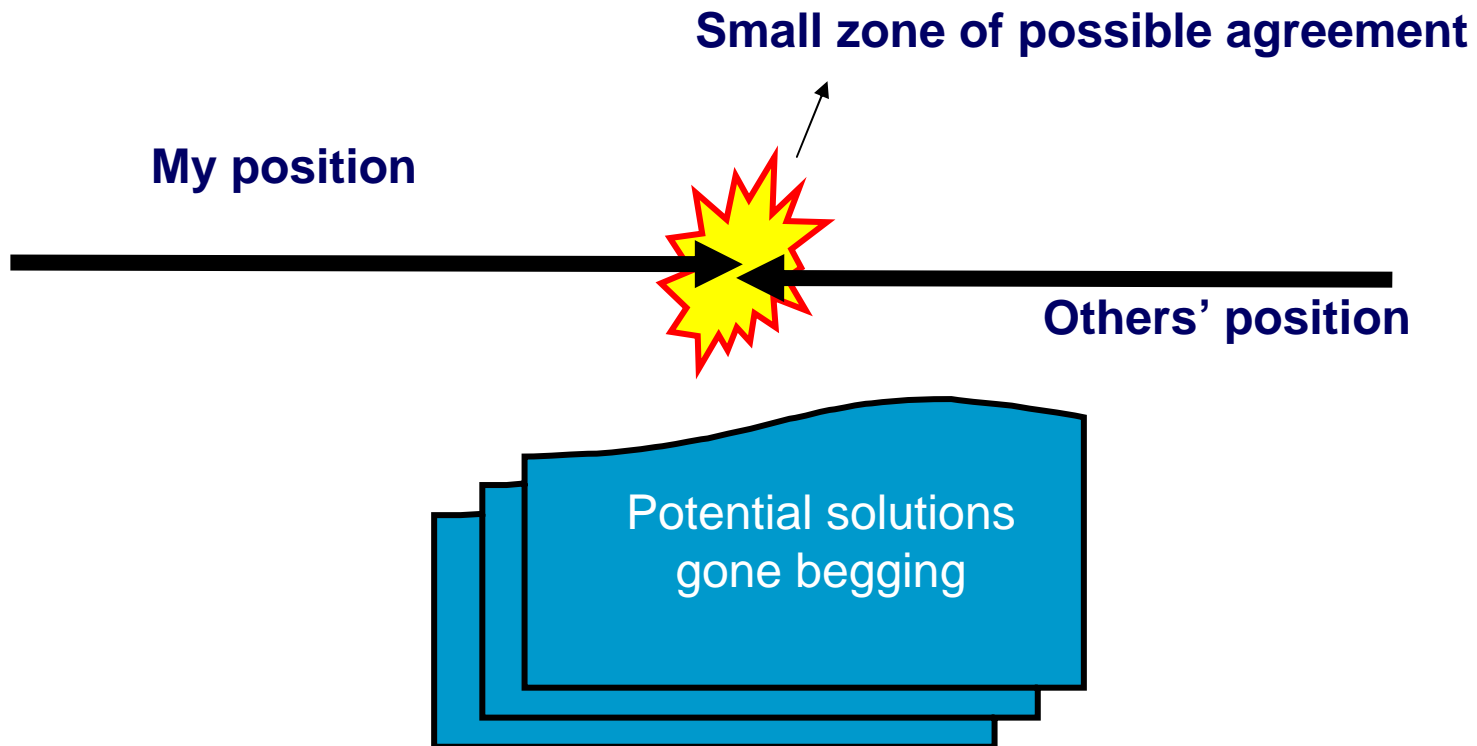
# Getting going with bargaining

- ▶ Education of negotiators and their constituencies, management of their expectations – a different communications model
- ▶ Flexible mandates, interest-based, not positional
- ▶ No log of claims
- ▶ Joint training in mutual gains bargaining
- ▶ Pre-bargaining planning stage
- ▶ Exchange of interests and proposals
- ▶ Facilitated bargaining
- ▶ Development of a dynamic, flexible agreement

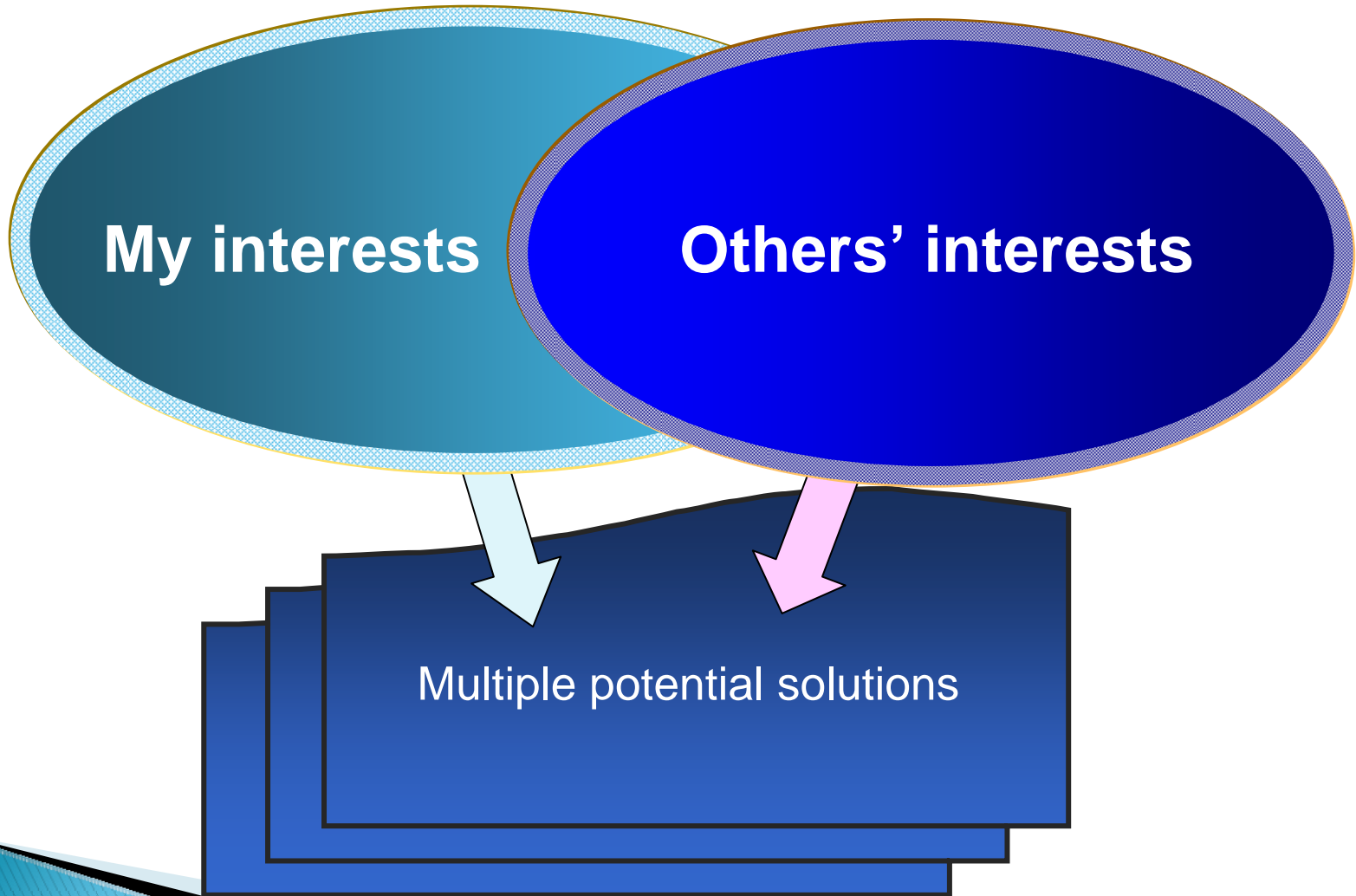
# The “log of claims” at the Smart Workplaces site

- ▶ It is important for us to operate with high levels of trust and disclosure and in a cooperative environment
- ▶ We must not be driven by current or potential legal frameworks in developing an agreement; we will manage these issues towards the end of negotiations
- ▶ Our key driver in the approach to the negotiations will be the objective of delivering superior and sustainable growth
- ▶ Wage increases have to be affordable for the business and attractive enough for employees
- ▶ Remuneration must reflect real cost of living and industry standards
- ▶ We have an interest in unlocking productivity gains that will lead to positive benefits in three areas: to the company, to the employees, to the site itself

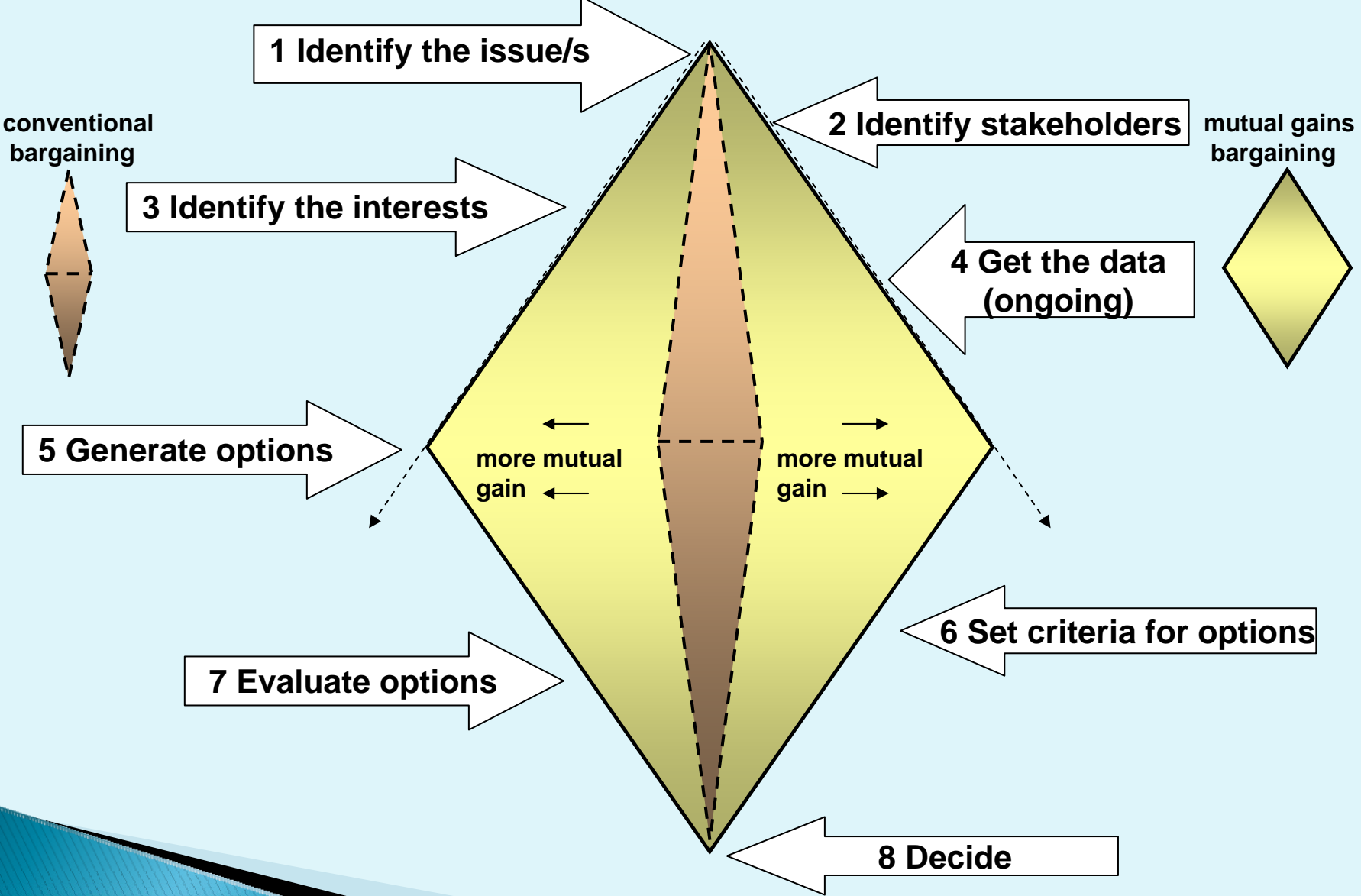
# Traditional (positional) bargaining



# Mutual gains bargaining



# The mutual gains bargaining flow



# Five phases in bargaining

Preparation

Bargain over how to bargain

Open and explore

Focus and agree

Implement and maintain

Harvard/MIT *Negotiating Labor Agreements*

# The makings of a fair and functional workplace regime: dynamic collective agreements

- ▶ Framework of current (and proposed) industrial regulation and instruments too sclerotic – based on outdated assumptions
- ▶ Truly responsive agreements would be characterised by:
  - no fixed lifespans, but rather continuous adjustment
  - continuous information-sharing, consultation & negotiation practices and obligations
  - well-calibrated problem-solving practices & procedures
  - well-calibrated, merits-focused dispute resolution procedures, including status quo protections
  - a continuous right to strike, lock-out and implement unilaterally at the point of legitimate impasse

# Getting going with process improvement at the SW site

- ▶ Real employee engagement, with union backing
- ▶ Problem-solving approach
- ▶ Gain-sharing
- ▶ Technical assistance
- ▶ Sustainability

# Supporting negotiated change

## Paternalism

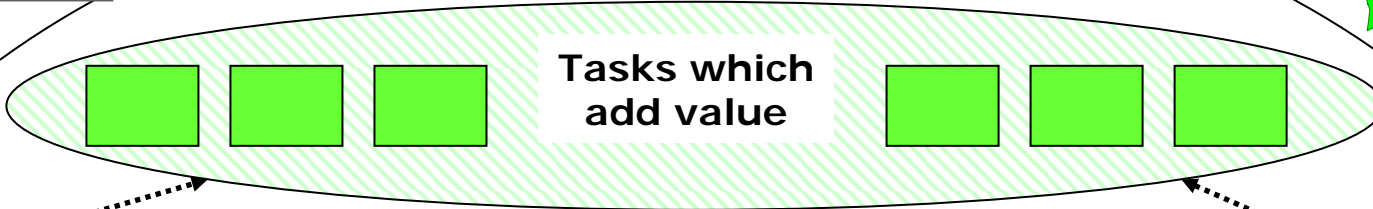
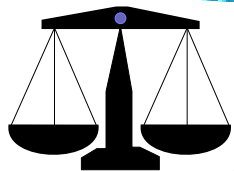
vs

## Engagement

- |                                     |                                                     |
|-------------------------------------|-----------------------------------------------------|
| 1. Establish urgency                | 1. Establish the truth                              |
| 2. Create a coalition               | 2. Negotiate a coalition                            |
| 3. Develop a vision & strategy      | 3. Negotiate the vision, strategy and returns       |
| 4. Communicate the vision           | 4. Communicate the shared vision                    |
| 5. Empower broad-based action       | 5. Involve the stakeholders                         |
| 6. Generate short-term wins         | 6. Generate short-term wins                         |
| 7. Consolidate gains & produce more | 7. Share the gains, consolidate them & produce more |
| 8. Anchor new approaches            | 8. Refresh                                          |

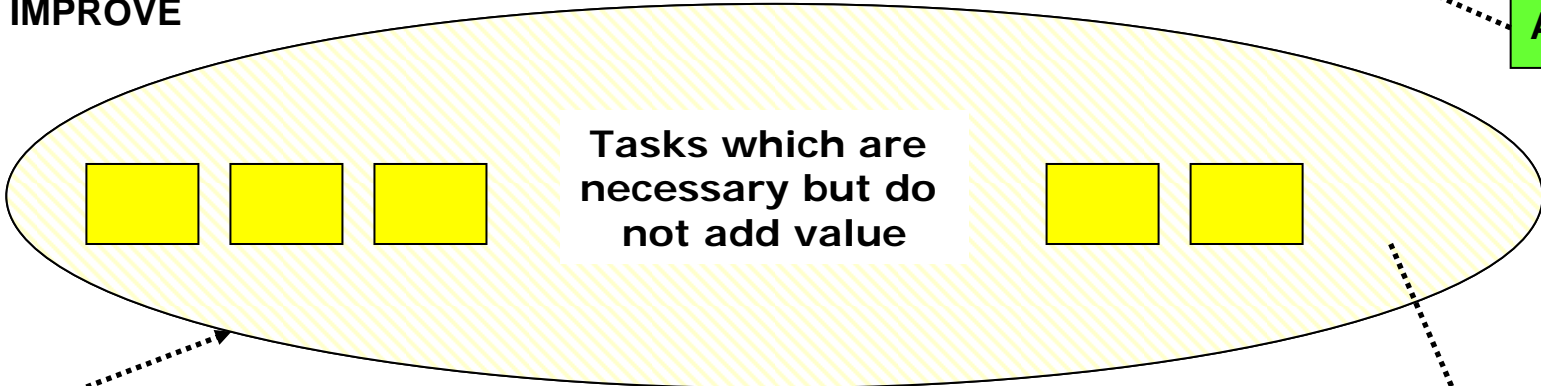
*John Kotter*

# RESOURCES

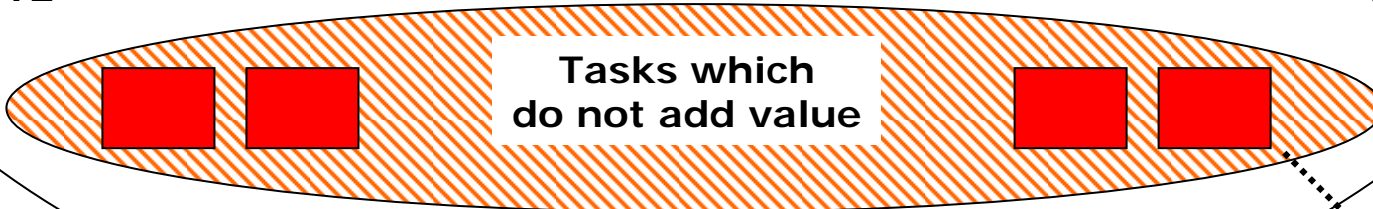


IMPROVE

ADD



IMPROVE



ELIMINATE

# The makings of a fair and functional workplace regime: system architecture, stakeholder recognition

- ▶ Needed: an institutional setting that actively promotes freedom of association – the right of employees to associate to achieve effective countervailing power – and its indicated outcomes: effective consultation and negotiation
- ▶ Employers must fully recognise freely constituted employee associations
- ▶ Unions and other employee associations must perform two roles, and do so simultaneously and judiciously: that of employee defender and business contributor – but this can only occur in a system of actively supported freedom of association