

# ***HOW TO PLAN FOR AND MANAGE SUCCESS IN A LABOR RELATIONS ENVIRONMENT***

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Stephen E. Schumacher, Chief of Labor Relations and Workforce Effectiveness at the Federal Communications Commission, is cited as the “Principal Author” of this paper to recognize the time and effort he gave in drawing together his own ideas and the collective thoughts of senior labor relations practitioners who attended two *ILRF* retreats in Shepherdstown, WV in July 2000 and January 2001. However, the views set forth in this papers are not necessarily those of any one individual or of any Federal department or agency.

## HOW TO PLAN FOR AND MANAGE SUCCESS IN A LABOR RELATIONS ENVIRONMENT

### Introduction

There are certain elements (“*Contributors*”) of an organization’s labor relations program which increase the opportunities for management to be successful in the planning, development, and management of the program. *Contributors* are of two kind: 1) well defined and discernible program elements (*Objective Contributors*) and 2) inter-personal or cultural attributes of a program (*Relationship Contributors*). The more *Contributors* there are within a labor relations program, the greater the likelihood that the program will be successful.

### Definition of a Successful Labor Relations Program

Out the outset, let’s explain what is *not* meant by “success.” Success does not mean that management always achieves its bargaining objectives. Nor does it mean that management has more third-party “wins” than the union. And it doesn’t mean that there is an absence of grievances and third-party litigation. Nor does it mean that there is always an aura of collaboration on the premises.

From management’s perspective, success is a deceptively simple proposition: *A successful labor relations program is one in which management’s goals and informed expectations are met through the use of traditional and non-traditional labor relations processes.*

This definition can be further refined by noting that the term “management” includes representatives of management at *all* levels of the organization – from first-line supervisors to the head of the organization. The term also encompasses management representatives from such staff offices as human resources, general counsel, labor relations, and budget.

The phrase “informed expectations” means that management’s labor relations objectives are realistic and reasonable – based on sound policy, genuine need, and a full understanding of labor relations practices and precedents.

“Labor relations processes” refers to the methods employed by management to achieve it’s objectives in a collective bargaining environment. There is more than one process available. For example, management may follow a traditional union-management model where it places emphasis on its own institutional rights. Or management may prefer to rely upon the available legal processes in lieu of

negotiations and compromise. Alternatively, in a collaborative environment, management and the union may employ forms of consultation and pre-decisional union involvement where they recognize and jointly try to accommodate each others interests. The salient point, however, is that there is more than one labor relations process available to management (and the union) as it strives to obtain management's goals and informed expectations within a collective bargaining environment.

So, to recap . . . *A successful labor relations program is one in which management's goals and informed expectations are met through the use of traditional and non-traditional labor relations processes.*

### **Contributors to Success**

The success of a labor relations program is dependent upon an array of *Contributors*, which fall into two categories: those that are well-defined and clearly discernible elements of a program (*Objective Contributors*) and those that manifest inter-personal or cultural attributes of a program (*Relationship Contributors*).

No single *Contributor*, or group of *Contributors*, will assure a successful labor relations program. But – and this is the most important point – the more *Contributors* there are within a program, the greater the likelihood that management's objectives will be met through the use of labor relations processes. A second important point is that *management* determines the number and kinds of *Contributors* to include within a labor relations program.

### **Objective Contributors**

As noted above, *Objective Contributors* are elements of an organization's labor relations program that are well-defined and clearly discernible. Management can identify them before the fact and make them an integral part of the labor relations program structure. The following illustrate the kind of *Objective Contributors* that management may consider when planning, developing, and managing a program:

- A written Labor Relations Philosophy and Policy which identifies the fundamental *principles* that will be observed by the Management Team in its dealing with employees and unions. Management's labor relations philosophy and policy might address such matters as:
  - A commitment to the public interest . . . and recognition that collective bargaining is in the public interest.
  - A statement of employee rights and management's support of them.
  - An acknowledgement of union rights and management's observance of them.

- Identification of management rights and management's protection of them.
  - A commitment to deal with employees and the union in good faith.
  - A statement of management's view of and approach to collective bargaining (preferably somewhere in the middle of a continuum from hostile/resistant to containment/restrictive to legalistic/compliant to accommodative/conciliatory to constructive/cooperative to co-management).
  - Top management's support of collective bargaining and a commitment to use the collective bargaining process to achieve management objectives.
  - A commitment to modern and progressive work practices.
  - A commitment to efficient and effective operations.
  - An insistence upon high standards of performance – from management, employees, and the organization as a whole.
  - Pursuit of what management believes is the *most* appropriate bargaining unit.
  - Support for employee and union participation in decisions that affect them.
  - A judicious and positive approach to the use of third-parties.
  - Support for the principles of collaboration, interest-based negotiations, and pre-decisional union involvement.
- A Labor Relations Strategic Plan that addresses the organization's labor relations vision, mission, and objectives and the strategies and tactics that will be employed to achieve them. Further, the Labor Relations Strategic Plan should be integrated into and fully supportive of the organization's overall strategic plan.
- A cohesive Management Team that consists of those employees who are responsible for 1) defining the goals of the organization and 2) achieving those goals through the allocation and management of agency resources, including personnel resources. The Management Team is a key element because:
- The labor relations program should be administered by line-management, not by the labor relations staff, personnelists, the general counsel staff, or other administrative staff. These other staff offices support line-management's administration of the program.
  - Any member of the Management Team can "commit" management to an unfair labor practice, a contract violation, or an unacceptable "past practice."
  - Employees who administer the labor relations program must have a sense of loyalty to and be treated as if they are an important part of the Management Team.

- A System of Intra-Management Communications which assures the timely exchange of labor relations information with every member of the Management Team. Communications must flow upward, downward, and laterally. Aspects of a sound intra-management communications system may include:
  - Training to ensure that all members of the Management Team have the requisite labor relations skills and competencies.
  - An intra-management Newsletter which keeps the Management Team apprised of developments in labor relations and human resources management.
  - An Annotated Agreement which provides guidance and instructions to line-managers on how provisions of negotiated agreements are to be interpreted and administered.
  - A Contract Administration Manual maintained by the labor-management relations office which documents the “history” of contract administration – why provisions were adopted, legal and regulatory references, contract language or provisions that need to be addressed in the next set of negotiations, impact of third-party decisions.
  - Regular staff meetings and organizational coordination meetings.
  - Unimpeded communications among members of the management team (especially by use of e-mail).
  - Support for an Association of Supervisors and Managers which represents the interest of supervisors and managers to the organization’s executive leadership.
  
- Optimum organization, placement, and management of the labor relations function. Important considerations include whether the program will be placed under, parallel with, or above the human resources office and what authority will be given to the labor relations office to represent management in dealings with union representatives. Consideration must also be given to the personnel, equipment, and budget resources that will be used to support the labor relations function.
  
- Optimum configuration of the bargaining unit(s). Management should strive for *what it believes is the most appropriate bargaining relationship* with the union, be it multi-unit, national exclusive, or units based on geographic, organizational, or functional considerations.
  
- Direct access by the labor relations staff to senior management. In this regard, it is extremely important that the labor relations staff have immediate and direct access to executive management.
  
- Well crafted contract language that is easily understood by those (i.e., line-supervisors and managers) who administer negotiated agreements.

There are, of course, other important objective elements that contribute to the success of a labor relations program. The ones cited, however, are good examples for planning, developing, and managing a successful labor relations program.

### ***Relationship Contributors***

In addition to *Objective Contributors*, certain inter-personal and organizational cultural attributes; i.e., *Relationship Contributors*, are important. These are often ambiguous and difficult to effect, and are generally the product of individuals' personality, character, leadership, and vision. They are the critical human side of labor relations with a necessary emphasis on the relationships that exist between and among people and organizations. Included among the *Relationship Contributors* are the following:

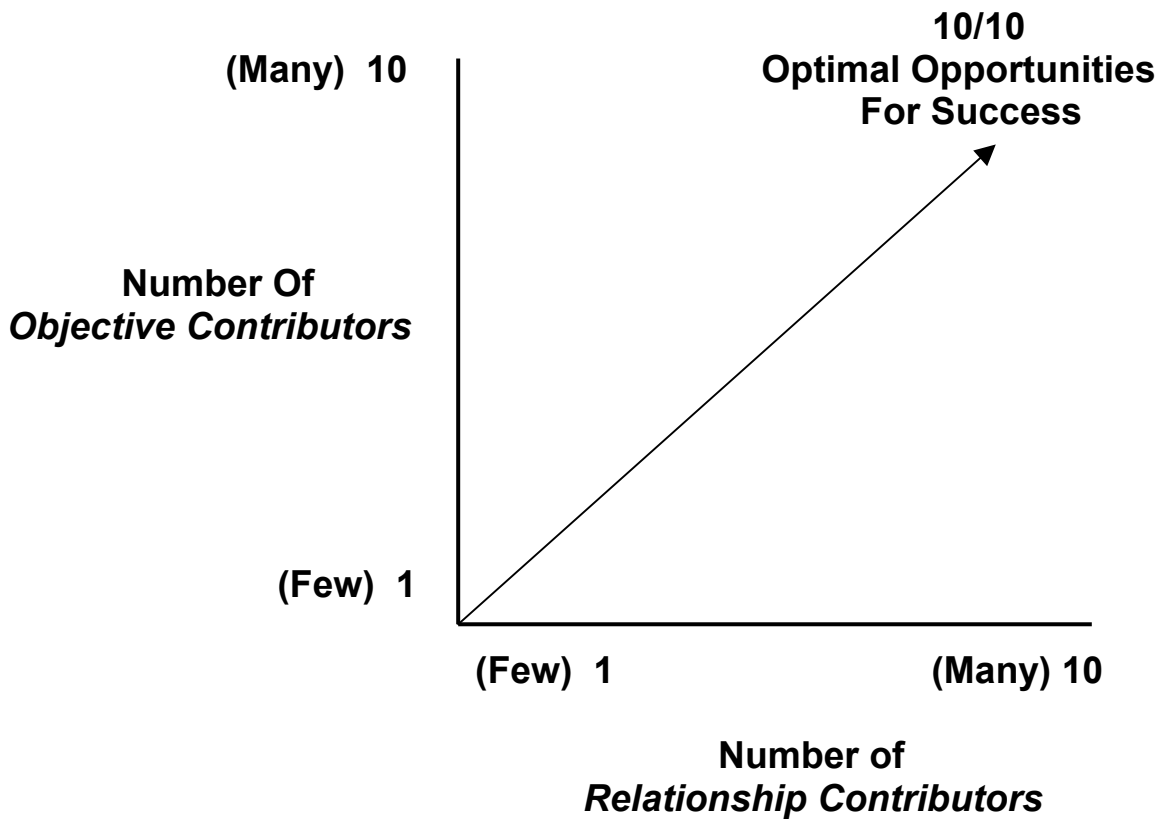
- An organizational culture that generates the vision needed to effect the *Objective Contributors* described above.
- An open, candid, and trusting working relationship within the Management Team.
- A consultative and collaborative working relationship between union officials and management representatives.
- Management's support for and confidence in the labor relations staff.
- Sound business alliances and professional networking (with other labor relations professionals, public and private sector representatives, local and national union officials).

*Relationship Contributors* are often the imprecise products of personality and interpersonal relations. They're subject to the vicissitudes of human relationships and, by their very nature, difficult to describe or quantify. Still, they're critical to the planning, development, and management of a successful labor relations program.

### **The Contributor Grid**

A strategic approach to labor relations provides for *both Objective and Relationship contributors* to create the greatest opportunity for an effective labor relations program. Installing as many of these *Contributors* as possible ensures greater opportunities for success. These are represented in the following grid:

## Labor-Relations Contributor Grid



### **Conclusion**

The underlying premise is that a common sense approach to planning, developing, and managing labor relations will result in a labor relations program that allows management to achieve its organizational objectives through traditional and non-traditional collective bargaining processes. While results may not always be positive, focusing on *Contributors* greatly increases the probability that success will ensue. *Objective Contributors* are easily identified and readily put in place as soon as a union is on the scene. *Relationship Contributors* are amorphous and less easily defined but they, too, should be the focus of management's attention. The probability for a successful labor relations program will increase with each *Contributor* that is added to the mix.

... *End* ...