



**Unions21**

# *Moving Partnership On*

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## **Final report**



## About the IPA

The IPA exists to promote the involvement and participation of employees in their workplaces.

The IPA's role is to support the development of employee involvement, representation and partnership by influencing opinion formers, key decision makers and practitioners, through a network of members and supporters and by providing examples of good practice.

Working in both the public and private sectors, the IPA has extensive experience of developing and implementing consultation and partnership.

## About Unions 21

Unions 21 aims to provide an open space for discussion about how trade unions can win and maintain public support for their priorities in a changing political and economic environment. This is done through publications, meetings, conferences and seminars involving trade unionists, politicians, academics and the media.

## Acknowledgements

This report has been the result of the contribution of a wide range of people to whom the IPA and Unions 21 extend grateful thanks.

We acknowledge the contribution of the supervisory group and all the hosts, presenters, facilitators and participants that took part in the events. A full list of the participating organisations is provided at the back of this report.

For more information about the project, including feedback from the consultation day and workshops, please visit: [www.ipa-involve.com](http://www.ipa-involve.com)

Robert Stevens led the project and wrote this report. Robert is research and information manager at the IPA and a member of the Unions 21 executive committee.

## Introduction

This is the final report from a joint Department of Trade and Industry (DTI) funded project run by the Involvement and Participation Association (IPA) and Unions 21. The project began with the simple intention to bring workplace trade unionists and managers together to share their practical experiences of what partnership working meant for them, their members, other employees and the organisation.

Much of the partnership debate has been clouded by prejudice and rhetoric. This was something that the project wanted to avoid from the outset. The IPA and Unions 21 commissioned a supervisory group of senior employer and trade union practitioners and asked them how to address the application of partnership principles. These issues were not only discussed in terms of joint decision making (information, consultation and negotiation) at a strategic level, but through examples of joint working (information and consultation) activities that spread partnership among local managers, representatives and employees in managing their work, environment and change.

The group discussed some of the common cultural challenges to joint working and joint decision making. These were: commitment from senior management, buy-in from middle management and shop stewards and the satisfaction of the workforce. Alongside these, it also identified some common practical challenges to joint working and joint decision making. These were: effective leadership, evidence of fair and transparent joint working arrangements and a robust, communicable case for all parties to become engaged.



### Key themes

Of the cultural and practical challenges the supervisory group identified, five key themes emerged as the basis for workshop discussion groups:

1. To explore the catalysts for joint working and ask whether partnership is the right approach and what inputs are required from representatives and management
2. To examine senior level decision-making arrangements in established partnerships and critique their impact on successful consultation and/or negotiation
3. To consider the leadership skills and behaviours required within organisations for successful joint working and how to encourage these in middle managers and shop stewards
4. To explore how management and trade unions can encourage greater employee involvement in joint working and joint decision making
5. To evaluate the success of joint working by balancing the benefits received by the organisation, trade unions and employees.

Over 40 senior managers and trade unions contributed their thoughts to the developing themes at a consultation day held in January 2005. This was chaired by Jim McAuslan, General Secretary, BALPA.

The brief findings in this report summarise the detailed discussions held at the consultation day and five regional workshops held in Cardiff, Birmingham, London, Darlington and Glasgow in April 2005.

Over 200 people from over 120 organisations attended the workshops. These included presentations from Acas, Cummins Engine Co, the Edrington Group, Eurotunnel, Nottinghamshire Healthcare NHS Trust, Nottingham City Hospital, NCR Business Solutions, Severn Trent Water, United Welsh Housing Association and Westinghouse. Some of the key messages from these workshops are reproduced here.

## Key lessons

The summary points and case studies that follow are drawn from the consultation day and five regional workshops:

*“Organisations which involve and engage trade unions and the workforce know that these are powerful forces for addressing major service delivery challenges.”*

**Christine Osgood**  
**HR consultant**  
**Employers' Organisation for Local Government**

### Managing change

The project recognises that employers and trade unions are facing up to some critical issues about managing change in the future organisation of work and the development of employment opportunity.

#### United Welsh Housing Association

DTI partnership fund winners, United Welsh Housing Association (approximately 120 employees) and Unison have implemented joint working to involve the union and employees more effectively in decision making and provide great service to customers.

“You can't have partnership without empowerment,” says Gareth Hexter, director of finance and corporate services. “Employees, the trade union and management work together to enable the Association to respond flexibly to the changing external environment”.

At United Welsh, joint working has taken place on a number of significant issues, including: the relocation of the head office from Caerphilly to Cardiff; restructuring the maintenance service provided to tenants, and the introduction of new shift patterns at a hostel in Cardiff. For Unison it has also meant that membership has risen from 37 per cent to 59 per cent.

A partnership working culture has led to United Welsh being ranked as the 4th best workplace in the UK by the Financial Times and the top not for profit organisation in the European Union.

In unionised organisations, strong and independent trade unionism makes joint working at a senior level more effective. For trade unions, joint working creates opportunities to become more involved at an earlier stage and on a broader range of subject matter.

The participants also reinforced the importance of joint decision making and for greater understanding that negotiation has a central contribution to make to the effective management of change.



## Competitive challenge

Organisations and trade unions continue to find new ways of addressing difficult issues, to redefine employee relations and create new opportunities for joint decision-making and joint working over issues of common interest and where legitimate differences exist.

### NCR (Financial Systems) Ltd

NCR and trade union Amicus, have sustained partnership principles during difficult times in an intensely competitive market.

Based in Dundee, NCR produce self-service cash machines and the software that they operate. The current workforce (approximately 1500 employees) are involved in research and development as well as manufacture, but represent a fraction of the workforce once employed at the site. Restructuring and competition from other regional manufacturing bases means that cost reduction, productivity and innovation are critical to the future of the site.

In these circumstances, it is all the more remarkable that NCR has been voted into the FT top 50 'Great Places to Work' and a host of other awards for quality and efficiency. Peter Denheen, HR Director is in no doubt that "partnership is one of the main elements ensuring the company has empathy with staff needs and that all employees are ever-mindful of business deliverables."

Speaking in Glasgow at the last of the five *Moving Partnership On* workshops, Denheen and Ronnie Clarkson, Amicus Convenor, outlined the partnership values NCR are committed to: respect, dedication, integrity, commitment to excellence and accountability for success. These underlie their ability to work together to grow the business, protect jobs and become an employer of choice.

*"Working within a partnership agreement has enabled us to manage significant and essential changes and to overcome potentially difficult situations, taking into account the interests of the company, trade unions and employees."*

**Mike Gibson**  
**National employee relations manager**  
**Lafarge Cement UK**

The acid test is how senior managers and representatives deal with restructuring and pay. Can new relationships be sustained even when discussing difficult issues, or do the parties "revert to type"?



## A vision of 'good work'

The principles of partnership, joint working and joint decision making need to be built upon a vision of "good work" that recognises more than just profit, but also the satisfaction of employees as engaged individuals.

### Nottingham City Hospital

Rosemary Exton, Trent SHA and UKWON research associate outlines some solutions to common challenges and obstacles to developing a partnership approach to joint working:

**Drivers:** External drivers can stimulate effective partnership but are not sufficient. The organisation needs a clear vision, and this vision needs to drive change

**Stakeholders:** Stakeholders need to be openly involved. Partnership must be championed by management and union representatives at the most senior levels

**Aims:** Common aims must be negotiated and agreed between the stakeholders. Aims must be achievable and measurable

**Resources:** Building partnership involves wider organisational culture change, which needs appropriate facilitation, learning and dialogue. Management, union representatives and front line staff need appropriate levels of competence, knowledge and time

**Knowledge:** The process of designing and implementing partnership must harness the knowledge and understanding of employees at all levels. Such knowledge and understanding cannot be bought from outside

**Evaluation:** The ability to measure progress and evaluate benefits is critical for sustainability. Appropriate evaluation tools are required.

It is vital to have a shared vision in which the issues of cost and competitiveness are understood by the trade unions, and employers recognise that the creation of high quality work requires high quality employment. This must become the hallmark in organisations where employers and trade unions are committed to partnership in principle and through joint working and joint decision making activities.



## Decentralising decision making

Changing employee relations at a senior level and challenging the prevailing culture of the workplace are complementary but not automatic.

### Severn Trent Water

Severn Trent Water reinvigorated their long-standing collective bargaining arrangements in 2002. The company recognises four trade unions (Unison, GMB, T&G and Amicus) and though the existing arrangements were perceived to be working, they were time-consuming, weren't respected and tended to over-centralise the decision making process.

A joint panel was established to steer the revision process. This led to a series of workshops. The outputs from these informed the development of a new partnership framework. Operating at two levels, the new framework replaces geographically based groups with divisional business forums. Joint chairs from each of these groups also serve on a new company forum, which now operates at a more strategic level.

The benefits of introducing the new arrangements include:

- The opportunity to broaden the consultative agenda, particularly to include business strategy, training and development issues
- Decisions are taken more quickly and departments are more effective at managing change
- The business forums deal with the issues that affect them directly and consequently the unions are seen to have a greater involvement in decision making
- More time is given to consultation and all managers are now more involved in working in partnership
- Teamwork and communication have improved
- Interest in union membership has improved and membership levels have remained stable in spite of general decline in the sector.

A new performance related pay model is one example of how the principles of partnership have been put into practice. Employee representatives were involved extensively in consultation, which meant that problems did not hamper negotiations and complex issues were resolved with greater ease and openness than would otherwise have been the case.

The new pay framework, which introduces harmonised pay-bands, also links pay with individual performance and collective safety and attendance targets. Although company performance must be kept confidential, safety and absence targets are published for employees every month.

*“Working in partnership enables unions to broaden the range of issues discussed at a senior level and win support for union initiatives with regional and local management.”*

**Graham Steel**  
**Senior national officer**  
**with responsibility**  
**for the Inland**  
**Revenue Public**  
**and Commercial**  
**Services Union**

There is a continuing need to refocus partnership working from the level of senior trade union and management colleagues towards the front line – finding local solutions to local problems.

*“Working in partnership has simply meant that employees (and their elected representatives) and managers have assumed joint accountability for solving business issues and for agreeing how best to implement solutions for the benefit of the business, its customers and its employees.”*

**David Westbury**  
HR business partner  
AstraZeneca - UK  
operations,  
Macclesfield

## Flexibility and involvement

Joint working and joint decision making are iterative processes and key tools in bringing the principles of partnership to life.

### Nottinghamshire Healthcare NHS Trust

At the Nottinghamshire Healthcare NHS Trust, robust collective structures with the recognised trade unions (representing over 85% of the workforce) and commitment from the top of the organisation, have been vital first steps in developing a new approach to the involvement of front line staff in the work of the Trust and improvements in the quality of care provided to patients.

The Trust and unions worked with the DTI’s Partnership at Work Fund to establish an ongoing programme of workshops, open to all employees. The workshops are an opportunity for employees to share information and opinions and engage in informal consultation on a range of issues.

The Trust and unions have also supported the development of self-directed teams (SDTs), responsible for making operational decisions without always having to defer to senior management. Teams now cover over 1000 people (one fifth of the workforce) and are supported by three full time facilitators.

“The SDTs promote real involvement, deliver flexibility, create a climate of innovation and bring decision making closer to the patient,” says Adeline Hunt, facilitator and staff side representative.

Without real commitment from both management and trade unions, it may not follow that strong senior level arrangements reflect effective use of new ways of working and employee involvement.



## Enabling engagement

Leadership is required to establish effective working relationships at all levels of the organisation. Responsibility must be transferred to middle and line managers and shop stewards, who can then encourage partnership behaviours among the wider workforce.

### Cummins Engine Company

Designer and manufacturer of diesel engines, Cummins operates in over 130 countries and employs 24,000 people worldwide, including over 4,400 in the UK. Operating in a global market, costs are under constant watch and competition is fierce. Despite this, a constructive partnership with Amicus (70% union membership) has existed for many years.

The company vision: "Making people's lives better by unleashing the Power of Cummins" is underpinned by a mission and values that underline the importance of motivating people to work together. In a large organisation such values can be especially difficult to bring to life.

Developing effective information and consultation arrangements is seen as an important way of enabling both the cultural and practical changes required in engaging employees. Early consultation and negotiation on why and how change takes place, in relation to a number of important decisions, has meant that employees have developed a much better grasp of how decisions are formed. The union has more effective influence and managers are also more likely to understand and support change.

Representative involvement also supports more effective direct involvement and other important elements of the high performance workplace, such as employee development and skills training.

Partnership champions provide a further important ingredient in providing both the face of new ways of working and the regular contact and motivation that staff and managers require in 'unblocking' the blockages and maintaining momentum.





## Measuring success

Clear measurement indicators that are shared and owned by everyone in the business (including the employees) are vital to sustaining a strong commitment to the principles of partnership, joint decision making and joint working.

### Westinghouse UK, Springfields site

Recognised for its achievements in working together to improve health and safety, the Springfields site embraced the principles of partnership as a way to high performance and mutual benefits over 10 years ago. The site, near Preston, processes uranium to supply fuel to commercial power stations. It employs around 1,400 people, represented by Amicus, T&G, GMB and Prospect.

Employee involvement, with union support has been a key contributor to this transformation. Workplace safety is now overseen by a cross sectional forum of 30 employees from across the site. The forum meets quarterly and senior management participation is strongly encouraged. In addition, 29 local safety improvement teams and over 300 safety observers are responsible for monitoring and improving local practices and ensuring that safety becomes a team activity.

Springfields' health and safety record has improved significantly from 88 lost time accidents (LTAs) requiring more than three days absence and 900 incidents requiring medical treatment in 1988 to just one LTA in 2004/5 and 73 incidents requiring first aid treatment. Alongside these figures, sickness absence has also been reduced from 10.2 in 1988 to 6.7 per employee in 2004/5.

In addition to these safety improvements, the site has also achieved a number of successes in managing a challenging transformation programme and in jointly dealing with constantly changing business requirements.

Both trade unions and employers need to demonstrate that partnership benefits employees and makes business sense. That means taking the time to record progress and measure improvement in order to develop interest, passion and engagement at every level.

## Recommendations

1. To support national and sector based activities that seek to explore the nature of 'good work' and encourage trade union involvement in joint working and joint decision making within organisations.
2. To continue to provide a forum for managers and trade unions to share their experiences in an open and honest way, that others may learn from it and develop joint working and joint decision making ever more widely.
3. To encourage bids to the Union Modernisation Fund for projects that address the capacity of trade unions in terms of their structures and competence to engage with employers, particularly on issues concerned with the management of change in the workplace.
4. To encourage debate about representative consultation in the workplace, the unique role of trade unions and the establishment of employee engagement in its widest terms.
5. To share thinking about how joint working and joint decision-making are measured and benchmarked, taking into account the costs and benefits to the organisation and its employees.

## Further acknowledgements

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Allied Distillers	North Cumbria Mental Health & Learning
Amicus	Disabilities NHS Trust
Argos Limited	P C S
AstraZeneca Ltd	Optima
B P	Partnership Institute
Babcock Naval Services	Proper Cornish Limited
Bakers, Food & Allied Workers Union	Prospect
Bank of Ireland UK Financial Services	Public & Commercial Services Union
Barclays Bank	R N I D
BPL	Remploy Ltd
British Bakeries	Robert Muckle Solicitors
British Airline Pilots Association	Rohm & Haas
British Gas Trading	Rolls-Royce plc
British Nuclear Group	Rotherham PCT
Budelpack Rhymney Ltd	Rotherham Primary Care Trust
C L M S	Royal & Sun Alliance
Cairngorms National Park Authority	Royal College of Midwives
Cavanagh and Gray	Royal Liverpool Children's NHS Trust
Chartered Society of Physiotherapy	Royal Mail Group plc
Coca-Cola Enterprises	Royal Mail Letters
Communication Workers Union	Sanctuary Housing Association
Community	Scottish Power plc
CSR Foundation	Scottish Prison Service
Cummins Engine Company	Scottish Trades Union Congress
Department of Health	Scottish Water
Department of Trade & Industry	SERTUC
Diageo Global Supply Scotland	Severn Trent Water Ltd
Durham Business School	Smiths Group plc
The Edrington Group	Standard Life Assurance Company
E E F	Stockton Borough Council
Egg plc	T S S A
Employee Ownership Scotland Ltd	T U C
Employers' Organisation for Local Government	T.I.G.E.R.S
Essex WDC	Tesco Stores Ltd
Eurotunnel PLC	The Boots Company PLC
F D A	The Edrington Group
Festival City Theatres Trust	The North British Distillery Co Ltd
FLASK	The Rowe Group
Gary Hoyte Consulting	The Vale of Glamorgan Council
Geldards	Thompsons Solicitors
GMB Scotland	UK Work Organisation Network
Health & Safety Executive	UNISON
Healthcare Commission	United Lincolnshire Hospitals NHS Trust
Herts Partnership NHS Trust	United Welsh Housing Association
Housing 21	Universities & Colleges Employers Association
Incahoots	(UCEA)
Inland Revenue	University of Leicester
Inspire Scotland	University of the West of England
Inverhouse Distillers	Wales Management Council
John Reid & Associates	Warwick Business School
Lafarge Cement	WESCO
Legal & General Insurance	Westinghouse UK
Lloyds TSB Group	Working Together
Loughborough University Business School	Wright HR Solutions
Marconi	
Medical Research Council	



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