

C

E



Center for
Effective
Organizations

**A Case of Union Management
Cooperation: A Contextual Presentation**

**CEO Publication
G 87-2 (93)**

Susan A. Mohrman
Center for Effective Organizations

May 1994

To appear in Consultation. Vol. 6, No. 1 (Spring, 1987)

Center for Effective Organizations - School of Business Administration
University of Southern California - Los Angeles, CA 90089-1421 (213)740-9814

**A Case of Union Management
Cooperation: A Contextual Presentation**

**CEO Publication
G 87-2 (93)**

Susan A. Mohrman
Center for Effective Organizations

May 1994

To appear in Consultation. Vol. 6, No. 1 (Spring, 1987)

ABSTRACT

This paper presents a framework for conceptualizing the dynamics of union-management cooperative efforts. It suggests that there are two relevant outcomes: the cooperative implementation of changes that positively impact employee satisfaction and organizational effectiveness; and the institutionalization of a new mode of union-management relations. The effectiveness of the change process in achieving these outcomes will depend on the change process itself as shaped and constrained by the context in which it occurs. A case is presented that demonstrates this interaction.

Among the most interesting of organizational change projects, societally and academically, are the scattered cases in which unions and managements have cooperated in efforts to strengthen the health and viability of the business. Dating back to the early 1970s, "quality of worklife" (QWL) projects have involved cooperation between unions such as the United Auto Workers and the Steelworkers and various companies in the automobile, steel and other industries to improve both the worklife of employees and the performance of the company. These projects present quite a challenge to a consultant because of the number of stakeholders involved, ambiguity concerning the identity of the client, and the extent to which union/management cooperation is a departure from the traditional norms and behaviors in the workplace. This paper presents a framework for understanding the scope of such a change project and then develops a case that illustrates the framework. It is intended to be useful both to organizations and unions that are thinking of embarking on a cooperative project, and to internal and external consultants who are charged with helping such projects unfold.

The Framework

Union-management cooperative projects are efforts by labor and management to work together to improve the quality of worklife of employees and organizational effectiveness. The process that is embodied involves the convening of an expanded array of stakeholders (including managers, supervisors, union officials and hourly workers) to identify ways to improve the workplace that address the interests of all stakeholders.

Union-management cooperative projects are generally open-ended in the content of the changes that are introduced. For example, the eight case studies conducted by researchers at the Institute for Social Research found various projects dealing with issues as divergent as equipment changes, work design, education and training, and scheduling (Cammann et al., 1984). The constant component in all projects is the establishment of a committee structure or another mechanism by which the multiple stakeholders can come together to set mutual goals and plan and implement change. In the course of doing this, the union and management may learn a new way of dealing with each other and the historical adversarial nature of union/management relations may change.

It is useful to think about the impact of a union-management project in two ways (see Figure 1). The first is a process outcome--i.e., did the stakeholders succeed in establishing a new process for dealing with each other that is institutionalized as a new capability in the organization? Second, did the parties impact the explicit goals--quality of worklife and organizational effectiveness--that they set out to affect? It is conceivable that union-management committees be established that provide an exchange of viewpoints that tempers the adversarial nature of the relationship but does not introduce change into the organization that impacts on satisfaction and well-being of the average (non-committee member) employee or on the effectiveness of the organization. In such projects, more cordial union-management relations may be the desired outcome in and of themselves. Furthermore, more cordial relations may enable management to better introduce change, possibly increasing the effectiveness of the organization. However, this should be conceptually

separated from projects where changes are jointly planned and implemented. It is also possible that cooperative committees succeed in introducing some changes into the workplace that positively impact employee satisfaction and organizational effectiveness, but that the cooperative, multi-stakeholder process does not become institutionalized. The fundamental character of union-management relations is not altered, and the parties slip back into past behavior patterns after the committees atrophy. Indeed, in some cases the union-management cooperation might be viewed as a temporary means to address a particular problem of overwhelming concern to both parties. Once these concerns have been addressed, the parties may not see the need to maintain their joint efforts. While either of the outcomes might be satisfactory to the parties involved, both outcomes must occur in order for the organization to have significantly enhanced its adaptive capacity.

From either a consultant's or a researcher's perspective, these projects are particularly interesting because they require application of the skills and processes of organizational development in the expanded arena of multiple stakeholders. Fundamental changes in the structure, politics and principles of organizing may occur. Organization development as a field has long been concerned with the application of behavioral science knowledge to the "planned development and reinforcement of organizational strategies, structures and processes for improving an organization's effectiveness" (Huse and Cummings, 1985, p.2). Practitioners of O.D. historically concentrated their practice at managerial levels thus not changing in any fundamental way the distribution of influence in the organization. QWL projects differ

in that they make explicit that organizational effectiveness includes the well-being of all employees--i.e., employees are stakeholders with legitimate and explicit claim to the resources of the organization. Although paternalistic firms have long recognized the need to keep employees happy, this has generally been accomplished by management making decisions that they feel are in the best interests of employees. They do not share power in the decision making process. By setting up formal multi-stakeholder decision-making committees, union-management cooperative projects take a first step toward empowering multiple stakeholders.

Acceptance of the expanded notion of stakeholders and of altered decision making processes constitute rather deep-seated changes in the mindsets of managers and union officers and members. Union officers may believe that trusting management sufficiently to try a new way of relating is a big gamble politically. Managers may fear loss of management prerogative, and may envision a needlessly cumbersome decision-making process. Union-management projects typically entail the establishment of a parallel organization--a set of joint committees in which managers, union officers and hourly employees can try out cooperative behaviors, develop trust, and learn a new way of interacting. There is generally a common agreement that these committees will avoid dealing with areas that are contractual or that are part of management's "prerogative."

It is not uncommon for the initial implementation of the parallel structure to go smoothly, for committees to function cooperatively and jointly introduce changes in the organization. It is more difficult to achieve the institutionalization of union/management cooperation through

time, so that joint stakeholder decisions around issues that involve employee interests and effectiveness are regularly jointly addressed by the union and management. Likewise, it appears to be difficult for the cooperative practices in the committees to diffuse into the day to day relations in work areas.

To understand the difficulty of effecting change in the nature of union-management relations, it is useful to be sensitive to the context in which the change project is occurring (Pettigrew, 1985). For analytic purposes, we can identify at least three relevant contexts. First, union officers and members are particularly sensitive to the context provided by their union as an organization. Unions are fundamentally political organizations, in which officers are elected, and continued certification depends on pleasing the membership. Furthermore, there is a sometimes elaborate international union structure that actively works to shape the viewpoints and practices of the local union and its membership.

The second major context of import is the company. Its corporate context, structure, culture, policies, practices, and climate have all contributed to shaping the behaviors, viewpoints, and beliefs of all organizational members. Personnel practices have impacted on the kind of person that populates the organization--through selection, training, role expectations, feedback, and rewards and punishments.

The third major context is provided by larger society, including the marketplace in which the company exists, the values of the community, societal institutions, and the values of the larger culture. Included are the laws that govern labor relations, and the educational system and the skills, values, and expectations that it instills in the

population. This larger context provides beliefs about what is appropriate in the industry, general impressions of "labor" and "management" and the appropriate roles of each, and general aspirations and expectations of the workplace.

Figure 2 illustrates the larger context within which the union/management cooperative project occurs. Basic patterns of union/management interaction are woven solidly into the fabric of both union and company as organizations, and into the society in which all employees and the union and company as organizations have developed. Institutionalizing a change in union/management relations is, thus, no small challenge. It involves changing the culture within two organizations--the union and the company. It may also entail overcoming forces in the larger society that perpetuate adversarial practices and attitudes. Furthermore, as the change process unfolds, contextual events will occur that are both independent of and in response to the efforts in the union-management cooperative process. These events will help shape and perhaps constrain the development of the change.

To truly understand change, Pettigrew (1985) has suggested that one must look at multiple levels (i.e., the change process and the different parts of the context in which it occurs). Furthermore, it is necessary to follow the processes that occur through time. The relevant processes are those that occur at the immediate level of the change arena and those that occur in the various parts of the context. Context variability will be related to variability in the processes of change, which in turn will be related to variability in outcome.

The case presentation that follows examines the multiple levels of activity surrounding a union-management cooperative effort in a paper

mill. Space will not permit an in-depth contextual presentation; however, an effort is made to at least allude to the various elements of the context that were impactful. The change process is described as it unfolds through several stages. After the case is presented, there is a short discussion of the patterns that occurred and implications for the change agent are drawn.

UNION-MANAGEMENT COOPERATION AT THE BIDWELL MILL

Background

Paper mills tend to be in rural settings--forests, streams, harsh weather, small towns, local bars, churches, volunteer fire departments, and a healthy distrust of outsiders. The Bidwell Mill was no exception. The five hundred mill employees were rural people. Hunting, fishing, card playing, pool at the local bar, and church and community activities filled their non-working hours. Vans, jeeps, trucks, and campers filled the parking lot. It was hard to fill all job positions during turkey season. Men longed to retire in a little place of their own on the river.

Bidwell employees were union people, as were their fathers before them. Theirs was hard, heavy, dirty work, in austere surroundings. The union had done well by them. They were well paid by any standard, commanding sizable shift and overtime differentials, and protected by stringent work rules, job classifications, and staffing levels. Job security was important. There was no other game in town.

Every two years, a team from "headquarters" arrived to negotiate the labor contracts, and, in the eyes of local management, to accede to

more demands and further tie their hands and burden them with procedures to use in dealing with the employees. Including overtime pay, the income of bargaining unit employees sometimes exceeded that of their supervisors. On the other hand, many managers begrudgingly admitted that it was the union contract that drove salaries up as well, and resulted in handsome benefits for them and their families.

Bidwell, as many other mills, had an aging workforce. Many of the current employees had started up the "new mill" in the 1960's. They had come from other lumber and paper mills in the area. The management had come with years of experience in various company facilities all over the country. Those had been heady times--new equipment, the latest technology, a small and excited workforce, and relative autonomy--given the large distances from corporate headquarters. Things had changed since then. The mill had grown, the unions had become stronger, the excitement had worn off, and headquarters had begun to keep much closer tabs on daily performance.

In 1981, when I first came to work with the Bidwell Mill, the paper industry was in a period of retrenchment. Opportunities for career growth were few and far between. Supervision and managers in Bidwell felt they were stagnating, unnoticed back in the burgeoning, bustling headquarters. Few in Bidwell had the needed business background or inclination to move into that world. There was a clear differentiation of responsibility. Local mill management kept the mill functioning and generating specified tons of paper in the specified product mix. Headquarters staff concerned itself with market, profit, and innovation. Bidwell management felt proud that they always made their tonnage targets, even under adverse circumstances--and a bit annoyed that their

level of profitability (which they didn't even know) was being criticized. After all, it was the big headquarters overhead that dragged them down.

In the late 1970's, companies in the paper industry, like other basic industries, were searching for ways to improve performance in an intensely competitive market. Traditionally organized by strong unions, several companies became interested in the Quality of Worklife approach of cooperating with the union and its members to improve the quality of work life of employees and the performance of the company. Executives from Bidwell's parent company visited General Motors and other U.S. QWL sites, visited Japan, appointed a corporate change agent, hired a consultant, and "encouraged" local managements to consider embarking on a new approach to management. Thus, reluctant managements such as Bidwell's began receiving newspaper and magazine articles describing QWL, and found themselves sitting through a three day workshop/ orientation, and found themselves "deciding" to give it a try.

The "decision process" was interesting. The Bidwell managers did feel that "no" was not an acceptable answer. And yet the data that emerged in the workshop was compelling: Yes, they could envision a much more effective mill--there were lots of opportunities for improvement; Yes, relations with the union were strained; No, teamwork wasn't their long suit; and Yes, there was some interest, especially among several of the younger managers, in providing opportunities for personal growth and development plus more involvement in decision making. And so, the management group woke up one day in September, 1981, remembering what must have seemed a bad dream--that they had committed to set in place a process to get their mill to fit a vision which existed at that point

primarily as words on flip chart sheets. These were noble sounding words, to be sure--cooperation, teamwork, communication, trust, and problem-solving--in fact, so noble that to have decided not to try to attain them would have been unconscionable and irresponsible. And yet, to admit that the mill wasn't already that way was to assume a bit of guilt (that questionable motivator) and admit to unrecognized failures.

The First Phase: Management Readiness

I had been an observer in the initial workshop, invited by corporate to attend, get to know the local management, and be considered as consultant to the mill. From this point on until early 1984, I was the primary consultant to the QWL effort in Bidwell. I was hired by the local plant manager and his staff to help with an effort which they didn't think would amount to much.

On my first visit as consultant to the mill, the hue and outcry commenced; "The biggest problem in running this mill is interference from headquarters. It is they who veto all training and development monies, who give us unrealistic and inefficient orders, who don't involve us in major decisions about how to run the mill. There is no way that we can become more participative managers in a situation where we don't even call our own shots." That was the major up-front rationale for the probable failure of the effort. There were others: "We tried a management training process a few years ago. It was a complete fiasco. All they did was ask us to role play. You aren't going to ask us to role play, are you? Programs like this don't work in our mill. We're very task oriented, practical managers." "Our union

won't agree to anything that threatens their power. All they're interested in is how badly they can bleed the company. And all our corporate management does is give in to their demands." "QWL has never been tried in a complex environment like ours. We have four local unions, four shifts, and a continuous process technology. We simply can't shut the mill down to have meetings and do all this training."

In early team development and planning sessions, these and other protests were voiced scores of times. Correct or incorrect, this was the way they viewed their world. I saw it as my job to open up these assumptions to closer scrutiny by the management team. We dissected each and every one of them, looking for what they, the local staff, could do to lay a foundation for success. Emotion was primarily around the inevitability of failure. However, even that was a double-edged sword. For surely they could implement change as well as any other management team. And after all, headquarters seemed to be serious about this, judging from the amount of training and consulting dollars they were pouring into it. And hadn't they been complaining that the company was unwilling to provide resources for development of people in the past? Besides, they were hearing that back at headquarters the company president and his staff were going through a similar process, and beginning implementation of participative management in the headquarters groups.

With a cool, dispassionate resolution, the mill staff planned a process to introduce QWL into the plant. The first step, they felt, was to get all salaried employees on board--i.e., to create readiness in the management group. In past efforts, managers and supervisors were always the last to know. Besides, they felt that starting with salaried

employees would enable managers to come to understand this new approach before adding the complexities of dealing with four local unions. Unspoken, of course, was the need to "buy time" to see if this might blow over. At this point, no enthusiasm had been generated, and no champion had emerged. The mill manager so felt the corporate press that he was willing to do what was necessary to make it work, but he had hardly reached the point of personally championing the cause. I hoped that with time and exposure, and some demonstrations of what is possible, some champions would emerge.

Initial salaried activity in late 1981 and the first half of 1982 included three major activities. First, each salaried employee attended a one-day orientation. This included general information about QWL and employee involvement, exercises designed to illustrate possible impact of the QWL approach, discussion of areas where the mill might benefit, and of factors operating against the QWL approach, and question/answer and discussion periods with the top management group. There was quite a bit of skepticism, as well as some curiosity and interest among this group.

Second, a general supervisory skills training process was started. Six first and second level supervisors were trained to be trainers, and all managers began attending a series of two-day sessions. Reports were that the training was good, and people felt that it was long overdue.

Third, the management staff planned and implemented a survey feedback process to begin diagnostic and problem-solving in each family management group. A subcommittee of managers developed the survey from a set of existing standard instruments, administered it, developed a

format for feedback and problem-solving, and trained each department head in how to do it.

Despite ongoing protests that too much time was being committed to this effort, and that mill productivity would be impacted, each department cooperated in scheduling and found a way to prevent a decline in productivity. The survey feedback sessions, while of mixed success, in several departments led to an ongoing process of problem-solving meetings. Managers varied considerably in their personal comfort with the process, and the amount of personal energy and responsiveness they applied. However, even the most adamant opponents of cooperation with the union were supportive of efforts to better train and develop the management ranks. Most reluctantly admitted that the survey feedback sessions had been useful, at least as communication devices.

I continued to have the feeling that this staff was approaching the process as "taking their foul-tasting medicine"--a lot of complaining, and yet overt compliance to the plans that they, as a team, developed. Their desire to "get it over with", ironically, led to a relatively fast and efficient planning and implementation process. The managers appeared to be experiencing this as jumping through another set of hurdles defined by headquarters, a process at which they excelled.

By this time, an internal coordinator had been selected, had received considerable training, and was coordinating the day to day events. I was relieved to be able to move into more of a strategic role. I sensed that as long as the process was seen as being energized by an outsider, the staff was able to disown responsibility.

The Second Phase: Start-up of Union-Management Activities

In late 1981, the mill manager had met with the four local union presidents to inform them fully of the company interest in QWL and of the efforts that were being started in the salaried ranks. He encouraged them to think about this approach and said it was probable that sometime in 1982, he would be approaching them to see if they would be interested in establishing a Steering Committee to develop a cooperative QWL process. As time went by, he kept them supplied with all articles and materials, and informed of the progress of the efforts in the salaried ranks. The union presidents seemed interested but skeptical.

In the spring of 1982, the mill manager began to feel pressure to start talking seriously to the union. Sister mills already had their unions "on board". Besides, thinking that the process leading to the involvement of four different local unions might be long and complex, I encouraged him not to wait too long to begin. I was concerned that the union become true partners in the effort early enough to impact the form it took. Since summers at the mill were periods of high vacation loads, and a difficult time to schedule meetings, it was decided to have a preliminary discussion with the unions in the spring, with a notion to establish a steering committee in September. The management staff was not united. Some felt this was too soon; others were ready to get on with it. All were willing to go along with it if major activities did not begin until autumn.

The union officials asked for and received the same three-day orientation workshop that had earlier been conducted for management. They wanted no managers present except the QWL coordinator. I conducted

this session. The union officers were, by and large, energetic and thoughtful. They asked hard questions and carefully weighed the potential risks and benefits of this approach. The questions went right to the point. Is management serious about this? Can management's motivations be trusted? Are they trying to bust the union? Is cooperative activity good for American labor unions? Is it good for our members? The union officers who participated in the session articulated the two points of view well, and of course each had in the end to answer these questions for himself and make his own decision. I could only say that if they wanted to give it a try, I would play a third party role--which is to always work for an open exchange of information so that both labor and management can make informed decisions about how to proceed. I could guarantee nothing about how things would turn out.

Officers from three of the four unions seemed interested--the fourth were reserved, concerned, and essentially negative. Their concerns were primarily the long-term fear that such efforts are really union-busting techniques. The officers in this union sat visibly apart from the others, and appeared to be self-appointed watchdogs for unionism in the mill. Periodically, they threw out challenges to my impartiality, and questions regarding my motivations. They also spent considerable energy trying to discuss the other unions' officers from their apparent interest in this approach.

Officers in the other three unions were ready to give it a try. As one local president put it, "we have to assume that we ourselves are able to make judgments about what is in the best interests of our people and our union. Giving QWL a try doesn't mean we stop exercising judgment." With the fourth union reluctantly agreeing, the union

officers as a whole decided to request a meeting with management to discuss how to proceed.

A half-day meeting of the management staff and union officials led to a decision to establish a mill steering committee to design and implement a union-management QWL process. Its first tasks would be to begin the scheduling of a three-day joint training process in interpersonal skills for all union and management employees. This training package had been developed and made available from headquarters. Headquarters consultants trained local union and management people to conduct it. The steering committee was also to set up local sub-steering committees in three of the four areas of the mill that were represented by the three more enthusiastic unions. The fourth union agreed to be in the overall mill steering committee but opted to postpone commencement of activities in their work area.

Several months later the fourth union withdrew from the mill-wide steering committee. They complained that the other union officials were entering into an effort which threatened union strength. They claimed that the other officers had been "brainwashed" by the "shrink" from the university (me). Their decision not to be part of the QWL process was to have long lasting repercussions. This union was one of the most dominant of the four locals. It controlled the core "paper-making" technology, and a great deal of intra-company power. Its officers agreed to remain silent observers of the QWL effort; nevertheless, the QWL effort was now proceeding without involvement of a major stakeholder.

Although they had not strongly voiced their concerns in the joint meeting, management was considerably less happy with the decision to

proceed immediately than were the three unions. They were noticeably relieved that their unions were willing to give it a try, but activities were to begin much sooner than they had anticipated or desired. Scheduling through the summer was going to be a real problem, they felt. This was the first time I felt mistrust from the management group. Suddenly I was third party to two clients, and they felt I had not represented management's preference not to proceed too fast. Had I, the consultant, intentionally misled them?

There had been obvious discomfort among the top management staff sitting in a planning session with ten union officers. They appeared to be unwilling to bring up and put emphasis on their own concerns. For instance, even when I posed the question about whether summer was a good time to start, they merely mentioned their preference to begin in September and quickly acquiesced to union enthusiasm for an earlier start. Their reticence to voice their concerns contrasted with the evident complete openness of the union officers, who felt summer to be ideal. Clearly, quite a bit of team development would be needed.

QWL activities did begin in earnest that summer. Union officials from three unions worked closely and cooperatively in the planning and delivery of the training. Most participants in the training were enthusiastic. Mill members were developing a language to talk about the way they interacted with one another. The mill steering committee generated a philosophy to guide the process and engaged in broad reaching dialogue about the issues in the mill. Two of the three steering committees got off to good starts, and by autumn had established task forces and teams that were dealing with meaty, task-related issues. A cadre of enthusiastic managers and union members was

developing. The third local steering committee got started in September, but experienced some difficulty because of turnover and lack of interest in the management ranks. Various problem-solving groups and task forces were established in the administrative groups that serviced the mill. One of these quickly introduced some changes in workflow and a cross training process.

Two factors cast a shadow over the process. First, the mill, along with its sisters in the company, was put up for sale, a process that culminated in an early autumn sale. Meanwhile, however, the uncertainty and job insecurity in the management ranks deflected attention and consumed energy. In conjunction with the sale, the mill manager retired. There were sighs of relief among some managers, who spread the message quickly the QWL wouldn't last too long under new management. There was a decided lack of attention to the continuing activities and accomplishments of the various committees and task forces. I feared that insufficient positive energy had been generated for the cooperative process to withstand the stresses and uncertainties of change of ownership and management.

Second, the uninvolved union began active efforts to kill the process. Its official stance was captured in communications to its members and to management, stating that it would continue to cooperate, as always, with legitimate contractual efforts to improve the mill. It would do so within guidelines specified by the contract, and saw no need for a special effort. Indeed, its members were working closely with management in the installation of a large new paper-making machine. Another local countered this union's communications with its own, stating that union-management problem solving efforts were contractually

enabled, and thus QWL represented no threat to or departure from the union's traditional position and the collective bargaining agreement.

The uninvolved local also lobbied with its International to come out against what was happening, and it appealed to members of the other three unions to come to their senses. It played into the natural distrust of management. Employees in at least one of the other unions (the only one that had the same International) began looking for and encountering signs that management was not to be trusted. One of the major issues that was seized on was union perception that management was not keeping the employees informed about the details of the sale of the mill. Mill management had the same complaint about headquarters, and was reluctant to share their own uncertainty and lack of information with the union. There were other issues as well, where union members were quick to point out the differences between rhetoric and action. And of course, the union members had not failed to notice that a sizable number of supervisors were predicting the demise of QWL. Furthermore, leadership was in transition, and it remained to be seen whether the new mill managers would continue the cooperative efforts and establish a more concerted dialogue with the union.

As management began experiencing pressure from the union to bring action into conformance with philosophy, I began to receive regular barbs from certain managers about having "pushed" the process too fast. The union members, they felt, had developed unrealistic expectations. Meanwhile, the steering committees and the task teams they established were busy. Issues such as cost of scrap, reduction of use of costly chemicals, reducing maintenance backlogs, and improvement of clean-up procedures were among those tackled during late 1982. These efforts

were captured in newsletters, written up in the company "paper", and reported in staff meetings. In several work areas, intact teams began having weekly meetings to discuss ways to improve their performance. In two areas, supervisors set up their own family group problem-solving efforts. While QWL activities gained momentum, so did the less visible but not less noticed efforts against QWL.

Transition and Review

The transition to new ownership and a new mill manager was occasion for review of the effort. All evidence indicated that the new owner was "solidly behind the QWL approach." QWL efforts were expanded into other mills and efforts in the corporate offices were redoubled. The new plant manager was "in favor of a participative approach" and felt that he was quite experienced in managing that way. Given time, he felt his staff would become comfortable with such an approach.

Indeed, the new manager did establish quick rapport with the mill steering committee. He was concerned, however, about the apparently "radical" attitudes of some union members, particularly those in the uninvolved union. He had a strong mandate from corporate headquarters to increase productivity substantially, and felt that all unions would have to cooperate with the effort if the mill were to survive. Cooperation, he felt, should not be optional. On the other hand, his staff had informed him that things had gone too quickly and were draining the energies of management. Nevertheless, productivity was up, grievances were down, and the steering committees had helped deal with several issues that had had the potential to seriously disrupt union-management relations at the mill. It seemed to be a mixed picture.

The new manager seemed interested in the QWL effort, but was naturally preoccupied with completing the details of the transition to new ownership. He was interested in keeping the current level of union-management activities, but did not feel that expending a lot of effort to extend it was a high priority at the time. In particular, he did not respond to the recommendation that increased face-to-face dialogue be established with the unions and their members to try to rebuild some of the trust that had deteriorated during the period of the sale. Working to develop his own staff was a more pressing concern. Given the increasing amount of grumbling about QWL that was occurring, it was clear that the majority of the staff was continuing to see the effort as something extra--not part of a new philosophy of management, nor part of the role expectations or reward system in which they operated. Seeing successful areas of cooperative activity was not having a significant impact on the general attitudes and approaches of the staff.

I agreed about the importance of team development. The staff group was not working as a team; even QWL was dividing them against one another. I also felt that it was important to take strong measures to model the open, two-way communication that would be required to address some of the concerns and issues that existed in the workforce. A tension began to develop between me and the strategy that had unfolded under the previous manager, and the new manager and his philosophy of leadership. He had understandably arrived at the mill with his own agenda for change and felt little ownership over the shaky union-management foundation that had been laid.

In February 1983, the top management staff held a QWL update session. The QWL coordinator led the session. Each director reported

progress. Supervisory and management training and development were going well, internal staff were being developed to facilitate the cooperative effort, and almost half of the employees had received training in cooperative problem-solving. The steering committee met regularly and was a good forum for exchange of information and identification of areas that needed attention. Three of the sub-steering committees were operating well, although there were rumbles of dissatisfaction from some supervision and union members in two of the areas. In these areas, union members were pressing for visible signs of management commitment to a more cooperative climate, such as removal of time clocks. In at least one work area, dissident members had begun to actively talk against the QWL process. On the other hand, various task forces and problem solving groups had some impressive accomplishments. These were reported coolly and dispassionately. Even the director in whose area the most major strides had been taken in morale, productivity and quality of performance merely said things were going satisfactorily. The QWL efforts were still seen as a diversion from running the mill--no champion had emerged. Results meant nothing if they weren't perceived as important.

One director asked to share a concern. It had, he said, been a long 18 months. Moving from a highly adversarial position with the union, and overcoming years of hard feelings toward the union is a long, up-hill struggle. Asking supervision to change their behavior creates a lot of stress. "We've done things in a traditional way for a long time, and being told that there's a better way is being interpreted by some as a slap in the face. There are still uncertainties and stresses among the salaried employees. We haven't done a good enough job of getting

them ready for this. It seems suddenly that all we're concerned about is making the union employees happy."

The meeting heated up. Other directors more or less hesitantly shared similar feelings, ranging from concern about stress in the management ranks to indignation that so much productive time was being spent in meetings and not doing work. And now the union was pressing for faster progress, more meetings, and "proof" that management is serious. Some union members have even pointed out that their supervisors are blockages to productivity. "We know we have some weak links, but these are human beings with long years of loyal service and we've provided meeting settings where union members feel they can criticize managers. This has gone too far! Let's slow down and reconsider." The discussion was no longer dispassionate.

One director reminded everyone of the amount of money that it was costing to train and develop the groups--just so people could log more unproductive time? Another director pointed out that the corporation had told the local management that union-management cooperation was a company goal, but that each local management could determine what form it took. But in Bidwell, "things seem to have assumed a life of their own." "Perhaps we should stop now, and not let this effort continue to expand to encompass more and more of our operations." "Sure, union members have lots of good ideas for improving productivity, but so does management. We're not getting a chance to work on our own ideas because we're so concerned with theirs."

A New Focus

Faced with the apparent contradictions and dilemmas, the new mill manager decided that things had indeed proceeded too fast. He embarked

on a team development process with his own staff. A local team-building consultant was identified to facilitate this top-management oriented development process. The mill manager felt his people needed to be educated, to develop teamwork and participation norms in their own staff, and that they would gradually come to appreciate the importance of the participative process. Unfortunately, the process was even more gradual than planned, as yet a new and very complicated sale of part of the mill consumed a great deal of the manager's time, and team development sessions were frequently canceled.

My visits to the mill became less frequent. Efforts in the QWL process assumed a status quo. Some committees and teams continued to meet, and a few new efforts were started. I continued to consult periodically to the joint committees and to the internal coordinator, who did a good job of supporting the ongoing efforts and continuing the training and development process in the mill. There was little need for outside expertise, except where third party neutrality was required. The new consultant had sporadic contact with the staff, and none with the union. His client was primarily the mill manager.

Efforts by the uninvolved union speeded up. There was publicity about QWL in a different paper company where the QWL steering committee had instituted an incentive system that appeared to pit worker against worker. In the eyes of this Bidwell union, that proved that QWL wasn't in the interest of the employee. "If you let employees participate, they may make decisions that aren't in their own best interests. That's why they have a union." The International issued an article warning locals to view QWL efforts with great caution. In another part of the

country, yet another paper company was reported to have "busted" its union through a two-year lock-out.

These efforts to destroy credibility of the QWL effort, combined with the uncertainty of yet another sale of the mill led to heightened mistrust and more demands from union members that management prove its seriousness. Responding to increased financial performance pressures from new owners, management was initiating cost containment efforts. Why weren't they informing union-management committees? Responding to a series of serious incidents of theft, management had suggested searches. What kind of trust did that show? Was management "once again" trying to hide the details of the sale of the mill from the worker? Why was management so incompetent that they had two sales within a year? And so forth. Trust and confidence were declining.

Management, trying to adapt to two new sets of owners and to adjust to even higher performance pressures, found little time or interest to respond to these union concerns. In the face of all this, the robustness of the committees and teams was surprising.

Later in the spring, two of the remaining three local unions withdrew from the QWL effort. One cited non-specific charges that even after a year of QWL, management hadn't changed the way it acts. The union members were keenly aware of the corporate pressure for increasing productivity. Management was viewed as unilaterally trying to introduce changes that would bring about work rule changes through the back door. In that union, the anti-QWL faction had become a majority. The other local union cited specific incidents where they felt management was unwilling to respond to their concerns or even to sit down and discuss them. Despite the existence of problem-solving committees solving

productivity problems, they felt that management still was unwilling to treat employee concerns as important. The local president, who had worked hard to make the process succeed, summarized it as follows: "After a year, QWL is still in their heads only, not in their hearts." He said the pendulum had swung, and the skeptics were now in the majority. Indeed, by this time, only a few of the original officers remained in their positions. One or two had lost elections, but the others had decided not to run, feeling burned out by the intense effort, and discouraged by the lack of progress.

One local union continued the cooperative efforts in its work area, although the officers admitted that they were having a harder time dealing with the general distrust. The strategy in that area was to continue the meetings, but not to draw mill-wide attention to them. At least one year later, these committees and teams were still meeting, and a new cooperative task force had begun.

As a matter of fact, task forces were being utilized more frequently in many parts of the mill, and many included hourly workers. These task forces were not labeled "QWL" and were generally set up through management initiative, but the principle of employee involvement in solving problems seems to have been internalized by at least some of the managers. The management education process continued, led primarily by the internal coordinator, who was now manager of "employee development." The mill manager was promoted to another job, and yet another new manager arrived to continue the process.

DISCUSSION

I can remember driving away from the mill for the last time in the spring of 1984. I was struck by its robust beauty. Nestled along a stream on a sun-drenched afternoon, it was characterized by a certain tranquility. Inside were hundreds of people, busy making it work, turning out paper products. It had survived a lot of changes. New behaviors and structures had been attempted. Some remained; some disappeared. New managers had come and gone. New owners as well. At the same time, the overwhelming impression that I had was one of permanence and resiliency in the face of it all.

Was the QWL effort a success or a failure? According to the criteria illustrated in Figure 1, success was certainly mixed at best. The cooperative structures were only partially implemented, only three of the four unions gave it a real try, and only part of the workforce became involved. Yet there were significant cooperative activities. A philosophy was jointly developed, a dialogue was established between union and management around a number of important issues, and task teams tackled hard problems and implemented change. A lasting trace of the cooperative efforts will be the building extension that was initiated and designed by a joint task team, providing extra space for complex maintenance work that had previously been backlogged because of the shortage of work space.

By spring of 1984, two sales and two changes of mill manager later, the committee structures had crumbled in all but one area of the mill. Under the pressure of it all, management had ceased having time, energy and inclination to even go through the motions of trying to establish a

new way of dealing with its unions; institutional relations were gradually returning to their previous state.

Nevertheless, the QWL effort did not seem to be without lasting impact. An entire workforce had been trained in interpersonal skills; managers had embarked on an ongoing, in-depth managerial skills training process; task forces including hourly workers were being utilized more frequently, and there were an increased number of instances in which individual managers and supervisors tried to involve their people in solving problems. Would this have happened without the union-management QWL effort? Although we can't know for sure that it was the cause, the union-management committee structure exposed people to new ways of thinking about and acting with each other, and the press of being part of this cooperative effort provided a push toward trying out new skills that probably would not otherwise have been there.

To understand this limited success more fully, it is useful to examine the content in which the project unfolded. At least in part, institutional cooperation at Bidwell fell prey to turbulent times--an industry in transition, unionism in transition, changes in ownership, and changes in expectations. The entire effort was characterized by ambivalence--both within management and within labor. The players extended far beyond the confines of the Bidwell mill. The struggles to determine the role of labor in the upheaval that has characterized the transition to a global economy go on at all levels--nationally, in corporate halls, governmental agencies and international union offices; locally, in plants and mills and in local union halls; and individually, in the hearts and minds of people. Should the effort have waited for a less turbulent time? Would a less turbulent time ever arrive? In my

view, it is not a question of waiting until the upheaval settles, for each day establishes constraints for the future.

Figure 3 depicts the major "events" of the change process, and the key contextual elements that were influential. Although it may be tempting to say that the change process was going well until the unions were brought into the process, it was at that same time that contextual events became quite turbulent. The first sale occurred, the mill manager changed, and one key union pulled out of the process almost before getting a taste of what it would be all about. In addition, management began to experience intense productivity pressure and started a number of management-initiated cost containment efforts. From that point on, the context presented one obstacle after another, including yet another change of ownership and management, changes in union leadership, and an erosion of goodwill among the union constituency. Internally, each change of mill managers was accompanied as well by a change in leadership philosophy and style, and a period of testing by management to see what demands would ensue.

Thus, there were a large number of factors, both internal to the change process and within the context that began to work against the diffusion and institutionalization of a new approach to labor management relations. Perhaps the truly interesting question is why the committees were so robust that it was not until the end that they started to fall apart. In one area, the steering committee structure, and both task team and work team approaches survived even the period of shift of focus away from institutional cooperation. Counteracting all the negative forces were two factors working for the change. First was the large amount of education and awareness training being received by both hourly

and management employees. Second was the existence of a number of successful committees and task forces that offered concrete evidence of the potential of the approach to influence both productivity and satisfaction.

One lesson that I learned once again was that there is no "management," "union," or "employees"--there are only a collection of viewpoints, institutional spokespeople, and historical patterns of interaction. Change processes are inherently political. They must deal with the "oughts" that stem from ideology, personal interest, and just plain differences in the opinion of well-intending people as to what is the best course of action. Will QWL, as one set of union officers felt, be a powerful tool for improving the lot of the workforce, or will it, as others suggested, erode bargaining power and institutional protection? Does opening up dialogue with employees who have (sometimes angry) concerns indicate willingness to work together to solve problems, or does it indicate management weakness? Do workers overstep the bounds of propriety when they point out that weak management is a barrier to productivity, or is this a legitimate expression of concern for the economic health of the mill? These are not issues that are readily solved by a demonstration of success or a limited pilot effort. These are issues that are at the root of what the participants are all about as people.

Thus, individual inclination and mindsets combine with powerful contextual forces to make the probability of change in patterns of interaction very low. Dramatic changes in style require dramatic, indisputable events, powerful enough to redirect the orientations of large numbers of players. At Bidwell, except in one area, events were

quiet and ambivalent--not the stuff of which altered frames of reference are made.

For the consultant, the arena of institutional union-management cooperation is a complex world in which to operate. The scope of the relevant context and the number and diversity of stakeholders constitute a rich array of factors that must be addressed and taken into account. There are an extraordinary number of interfaces that must be worked, many of them populated by unwilling parties. The very contextual uncertainty that makes a sustained change effort difficult creates intense anxiety and feelings of lack of control for the participants, and makes it hard for them to assume responsibility. And yet, it is the very complexity and the exciting possibility that the project may align a large number of stakeholders in addressing the pressing changes in our economy that make union-management projects so interesting and exciting.

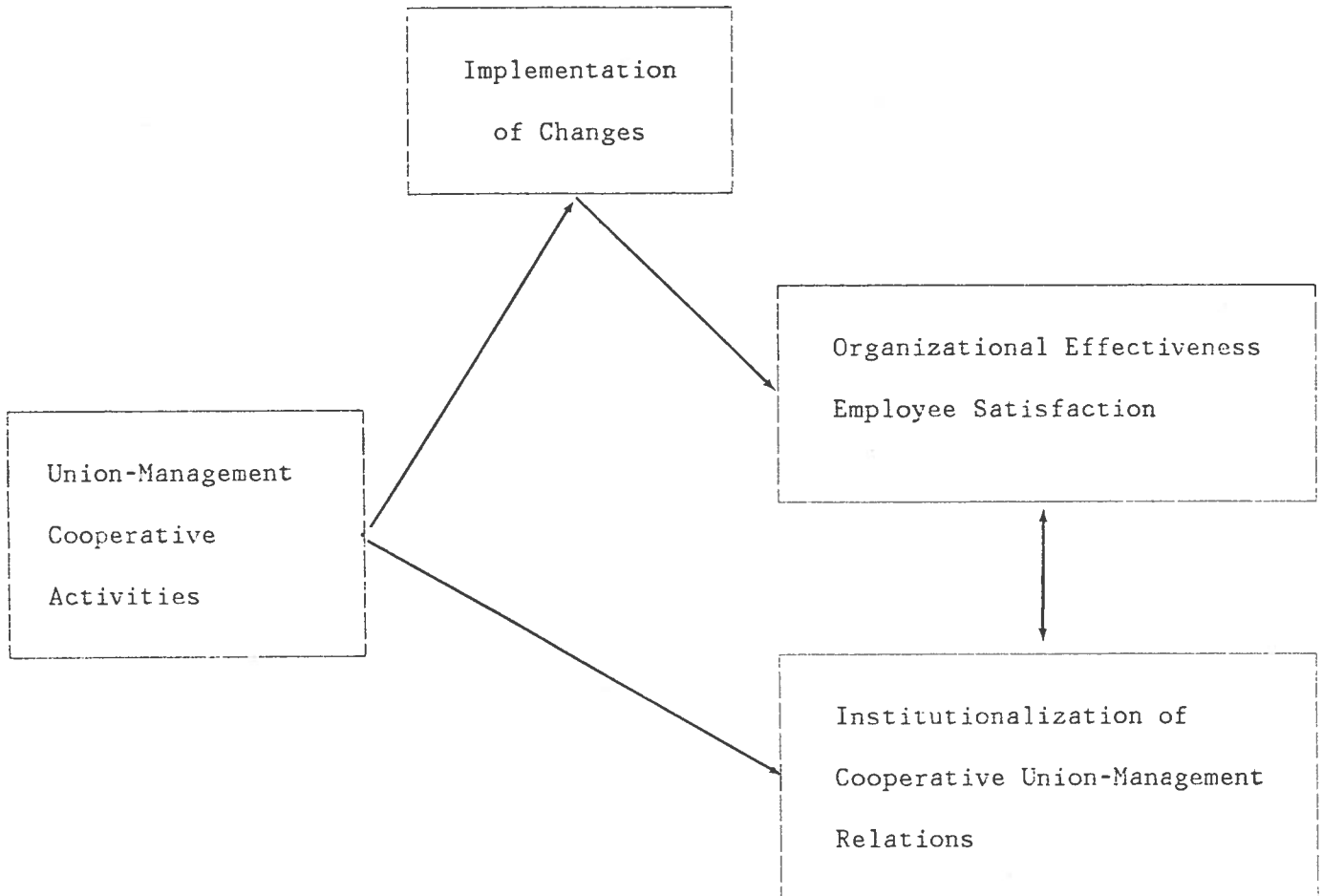
References

Cammann, C., Lawler, E. E., III, Ledford, G. E., and Seashore, S. E. Management-Labor Cooperation in Quality of Worklife Experiments: Comparative Analysis of Eight Cases. Survey Research Center, Institute for Social Research. A technical report to the U.S. Department of Labor under grant number 21-26-80-18, 1984.

Huse, E. F., and Cummings, T. G. Organization Development and Change, third edition. St. Paul: West Publishing Co. 1985.

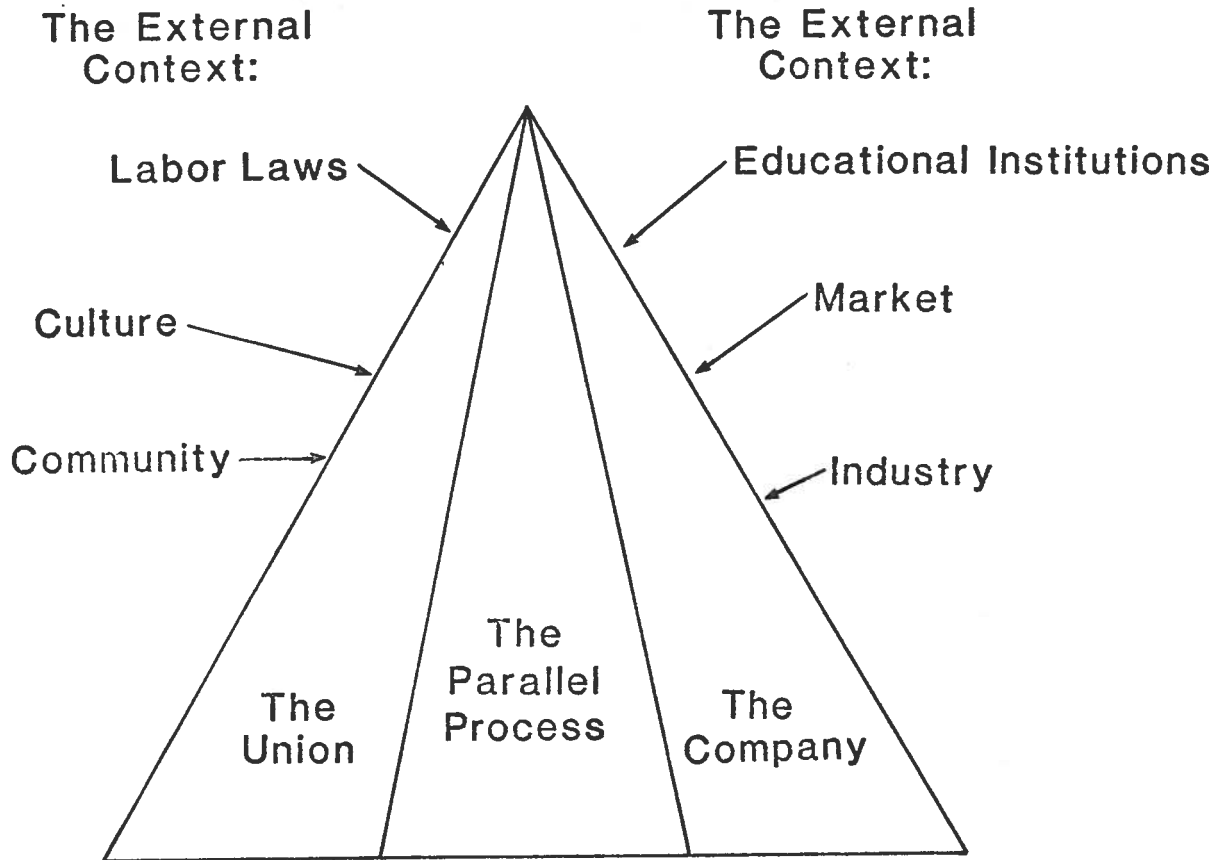
Pettigrew, A. M., "Contextualist Research: A Natural Way to Link Theory and Practice," in E. E. Lawler, III, A. Mohrman, S. Mohrman, G. Ledford, and T. Cummings (eds.), Doing Research that Is Useful for Theory and Practice. San Francisco: Jossey-Bass, 1985.

Figure 1



OUTCOMES OF UNION-MANAGEMENT COOPERATION

FIGURE 2



**THE CONTEXT OF UNION - MANAGEMENT
COOPERATIVE PROJECTS**

<p>THE CONTEXT: (LARGER SOCIETY)</p>	<p>National decline in heavy industries QWL in other industries Attention to "Japanese Management"</p>																				
<p>THE CONTEXT: (COMPANY)</p>	<p>Industry Shakeout _____ QWL in other paper companies _____ Bad "press" about _____ 2 companies _____ New corporate context _____ Continued support for QWL _____</p>																				
<p>THE PROCESS</p>	<table border="1"> <tr> <td data-bbox="503 651 665 861"> <p>September 1981 MANAGEMENT'S "DECISION" TO BEGIN</p> </td> <td data-bbox="503 861 665 1071"> <p>workshop</p> </td> <td data-bbox="503 1071 665 1281"> <p>October 1981-April 1982 MANAGEMENT READINESS</p> </td> <td data-bbox="503 1281 665 1491"> <p>executive team development orientation for all salaried employees supervisory skills training survey feedback—all family groups (management only) unions kept informed</p> </td> <td data-bbox="503 1491 665 1701"> <p>May 1982-February 1983 START-UP OF U/M ACTIVITIES</p> </td> <td data-bbox="503 1701 665 1911"> <p>orientation of union officers joint decision to proceed parallel organization designed and mostly implemented U/M training in participative skills some QWL projects achieve fruition</p> </td> <td data-bbox="503 1911 665 2100"> <p>February 1983 TRANSITION</p> </td> <td data-bbox="503 2100 665 2100"> <p>increased effort of executive team development U/M activities begin to fall apart management review reveals strong doubts by management team regarding value of U/M activities</p> </td> <td data-bbox="503 2310 665 2100"> <p>March 1983 on: NEW FOCUS</p> </td> <td data-bbox="503 2520 665 2100"> <p>Development of management team stressed U/M efforts active in one area with one union only Management initiated cost containment activities—occasional task forces</p> </td> </tr> <tr> <td data-bbox="665 651 828 861"> <p>Strong corporate "encouragement" for union-management</p> </td> <td data-bbox="665 861 828 1071"> <p>several other mills begin working with their unions</p> </td> <td data-bbox="665 1071 828 1281"> <p>Sale of Mill—uncertainty, job insecurity</p> </td> <td data-bbox="665 1281 828 1491"> <p>Second Sale of Mill erodes employee confidence</p> </td> <td data-bbox="665 1491 828 1701"> <p>Another new mill manager</p> </td> <td data-bbox="665 1701 828 1911"> <p>Another new mill manager</p> </td> <td data-bbox="665 1911 828 2100"> <p>Another new mill manager</p> </td> <td data-bbox="665 2100 828 2100"> <p>Another new mill manager</p> </td> <td data-bbox="665 2310 828 2100"> <p>Another new mill manager</p> </td> <td data-bbox="665 2520 828 2100"> <p>Another new mill manager</p> </td> </tr> </table>	<p>September 1981 MANAGEMENT'S "DECISION" TO BEGIN</p>	<p>workshop</p>	<p>October 1981-April 1982 MANAGEMENT READINESS</p>	<p>executive team development orientation for all salaried employees supervisory skills training survey feedback—all family groups (management only) unions kept informed</p>	<p>May 1982-February 1983 START-UP OF U/M ACTIVITIES</p>	<p>orientation of union officers joint decision to proceed parallel organization designed and mostly implemented U/M training in participative skills some QWL projects achieve fruition</p>	<p>February 1983 TRANSITION</p>	<p>increased effort of executive team development U/M activities begin to fall apart management review reveals strong doubts by management team regarding value of U/M activities</p>	<p>March 1983 on: NEW FOCUS</p>	<p>Development of management team stressed U/M efforts active in one area with one union only Management initiated cost containment activities—occasional task forces</p>	<p>Strong corporate "encouragement" for union-management</p>	<p>several other mills begin working with their unions</p>	<p>Sale of Mill—uncertainty, job insecurity</p>	<p>Second Sale of Mill erodes employee confidence</p>	<p>Another new mill manager</p>	<p>Another new mill manager</p>	<p>Another new mill manager</p>	<p>Another new mill manager</p>	<p>Another new mill manager</p>	<p>Another new mill manager</p>
<p>September 1981 MANAGEMENT'S "DECISION" TO BEGIN</p>	<p>workshop</p>	<p>October 1981-April 1982 MANAGEMENT READINESS</p>	<p>executive team development orientation for all salaried employees supervisory skills training survey feedback—all family groups (management only) unions kept informed</p>	<p>May 1982-February 1983 START-UP OF U/M ACTIVITIES</p>	<p>orientation of union officers joint decision to proceed parallel organization designed and mostly implemented U/M training in participative skills some QWL projects achieve fruition</p>	<p>February 1983 TRANSITION</p>	<p>increased effort of executive team development U/M activities begin to fall apart management review reveals strong doubts by management team regarding value of U/M activities</p>	<p>March 1983 on: NEW FOCUS</p>	<p>Development of management team stressed U/M efforts active in one area with one union only Management initiated cost containment activities—occasional task forces</p>												
<p>Strong corporate "encouragement" for union-management</p>	<p>several other mills begin working with their unions</p>	<p>Sale of Mill—uncertainty, job insecurity</p>	<p>Second Sale of Mill erodes employee confidence</p>	<p>Another new mill manager</p>	<p>Another new mill manager</p>	<p>Another new mill manager</p>	<p>Another new mill manager</p>	<p>Another new mill manager</p>	<p>Another new mill manager</p>												
<p>THE CONTEXT: (UNION)</p>	<p>4 unions (strong, healthy) Unions kept informed of readiness activities in management ranks and of management interests in QWL.</p>	<p>3 unions supportive 4th union on the fence; Pulls out. Begins efforts to discredit QWL. Lobbies international to take a stand.</p>	<p>2 more locals develop misgivings Leadership changes in 2 local unions International urges caution in QWL</p>	<p>2 unions. Remaining union continues. Low visibility.</p>	<p>2 unions. Remaining union continues. Low visibility.</p>	<p>2 unions. Remaining union continues. Low visibility.</p>	<p>2 unions. Remaining union continues. Low visibility.</p>	<p>2 unions. Remaining union continues. Low visibility.</p>	<p>2 unions. Remaining union continues. Low visibility.</p>												

Figure 3. Major Events in the Change Process