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**Does Co-operation to Negotiate High Performance Work
Practices Pay for Unions?**

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ABSTRACT

This paper reports whether cooperation paid for unions during negotiations to establish teamworking in 12 departments. Sharing information by cooperative union branches in joint problem solving with management resulted in greater demanning and a pay increase for fewer employees in the final teamworking agreements. Militant union branches distorted information or were passive during joint problem solving protecting jobs and extracting higher payment for teamworking. Cooperation did not pay because sharing information and joint problem solving eroded the capacity of union branches to resist management demands.

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DOES CO-OPERATION TO NEGOTIATE HIGH PERFORMANCE WORK PRACTICES PAY FOR UNIONS?

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1. INTRODUCTION

Over the past decade managers and unions have negotiated the introduction of high performance work practices (HPWPs) to improve performance in workplaces in highly competitive manufacturing and service industries. The subsequent impact on organisational performance and more recently on employees and trade unions has been widely debated (see (Bacon and Storey, 1996; Godard, 2004; Kelly, 2004). Evidence that HPWPs are associated with greater job security and higher pay levels (Appelbaum *et al.*, 2000) suggests employees have much to gain from these practices. Unions are therefore encouraged to cooperate with managers to solve workplace problems for mutual gains (Kochan and Osterman, 1994; Rubinstein and Kochan, 2001).

However, some studies indicate HPWPs may not benefit employees (Harley, 2001; Ramsay *et al.*, 2000) and in a recent review of available evidence Godard (2004: 360) concluded that the impact on workers' pay and job security 'is at best mixed'. In contrast to the optimistic 'mutual gains' scenario critics argue that militant trade unions opposing change are more likely to secure gains for employees (Kelly, 1996). This is because managers take advantage of union cooperation to introduce HPWPs at the expense of workers' terms and conditions, especially by making job reductions (Kelly, 1998, 2004; Schuster, 1985; Taylor and Ramsay, 1998). An ideology of common interests merely erodes the willingness and capacity of union members to resist employers, with compliant union officers co-opted into the decision-making process on agendas controlled by managers (see also Fairbrother, 2000; Wells, 1993).

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Kelly (1998: 17) notes that most studies of workplace change have not analysed in detail how negotiation processes affect the distribution of gains from new working practices and calls for evidence on whether information sharing, trust and power explain why cooperation does not pay for unions (Kelly, 2004). Godard (2004) also advises further study of the role of industrial relations in determining the outcomes of HPWPs for employees paying particular attention to conflicts at work, the implications of new working practices for workers and how trade unions shape HRM innovations (Delaney and Goddard, 2001: 395).

In this paper we explore whether cooperation paid for unions in negotiating the introduction of teamworking in 12 departments of 2 integrated steelworks. We contribute new evidence to the debate on the effects of union cooperation and militancy on workers' pay and job security. To further develop the industrial relations perspective on HPWPs we detail the specific workplace bargaining process and explain the outcomes through the tension between integrative and distributive bargaining.

2. UNION COOPERATION AND CONFLICT

Recent studies report mixed empirical findings about the advantages of union militancy over moderation for the terms and conditions of employees. For example, Kelly (2004) found that wage settlements were no different in British firms with partnership agreements in comparison with matched firms with traditional industrial relations, and whilst partnership firms shed jobs at a faster rate in declining industries they created jobs at a faster rate in expanding sectors. It appears ill advised to draw a simple relationship between union cooperation and various outcomes without carefully detailing the precise context, conditions and methods through which unions work together with management. Employees have benefited in a number of cases where strong unions have worked with managers in 'offensive' (Samuel, 2004) and 'robust' (Oxenbridge and Brown, 2004) partnerships. For example, partnership at Aer Rianta has not resulted in either union incorporation or damage to the terms and conditions of employees (Roche and Geary, 2002) and union cooperation at Saskatoon Chemicals delivered wage increases and an expanding workforce (Clarke and Haiven, 1999).

Exactly what unions do when they 'cooperate' with management appears to be particularly important. For example, Frost (2001) identified 'interventionist' union locals in the North American steel industry who fully involved employees in

reorganising work and entered into negotiations at an early stage. Employees benefited more compared to other sites where 'pragmatic' union locals refused to enter into negotiations until managers made firm proposals. These findings are only partly replicated by Danford *et al.* (2002) who report that militant unions in the UK aerospace sector also had more involvement and influence over management during restructuring but reported a greater loss of jobs compared to moderate unions. In contrast, militant union branches in the UK iron and steel industry improved terms and conditions by relying on collective bargaining whereas moderate branches relying on joint consultation made concessions to management (Bacon and Blyton, 2002).

These studies indicate that union cooperation and involvement with management to introduce HPWPs may only pay if there is some 'balance of power' to ensure the agenda partly reflects the interests of employees (Kelly, 2004: 271). How should we conceptualise what unions do when they cooperate to introduce HPWPs? We regard HPWPs as 'mixed' bargaining industrial relations issues for unions containing the potential for both shared and opposing interests. It is important to recognise that unions therefore face a difficult task when negotiating workplace change; they are required to cooperate and share information to improve performance yet they need to capture an acceptable share of the gains from performance improvements (Walton and McKersie, 1965). The trade off between integrative and distributive bargaining and the inherent risks involved are core to the field of industrial relations. If trade unions cooperate with managers and openly share information to solve joint problems managers may use this information against them to weaken the union's bargaining position later in the negotiations.

One solution is to separate integrative and distributive bargaining (Walton and McKersie, 1966: 381). For example, shop floor employees could initially explore with line managers issues of joint concern such as product quality in a problem solving team prior to union officials negotiating over the terms of any possible changes in working practices. This would separate the processes by agenda, the individuals involved and the time at which the two processes occur (Walton and McKersie, 1965: 179). In theory this helps to protect unions because it does not commit the negotiators who may have to bargain hard to settle the terms of any agreed changes (Fells, 1998: 302; Walton and McKersie, 1965). However, it is not clear that unions can trust managers not use the information provided in joint problem solving to undermine the union's negotiating position.

The critical issues emerging from these studies are whether and why cooperation with management pays for unions? In the following case studies, we describe negotiations over teamworking across 12 departments of two integrated steelworks and assess whether employees benefited more from union cooperation during negotiations? Second, we explain why cooperation did not pay for unions illustrating how the information unions provided in joint problem solving undermined their ability to protect manning and increase pay. Third, we assess whether separating integrative from distributive bargaining enables cooperation to pay for unions.

3. CASE SITES AND THE NEGOTIATION PROCESS

The fieldwork studied negotiations to introduce teamworking in 12 departments across two large integrated steel works (the Scunthorpe and Teesside sites) owned by Corus in the North of England. Teamworking was already implemented in many other Corus works (Bacon *et al.*, 1996) including the third integrated works at Port Talbot but in these two sites, initial discussions at the start of the 1980s led to a failure to agree payment for teamworking. These integrated sites had survived as other Corus plants closed although their proximity and the poor financial state of the company increasingly made them rivals. For many years Teesside felt more secure because it had port facilities on a coastal location. However, as Corus delayed relining the blast furnace at Teesside the future of both sites was increasingly uncertain. In response to the deteriorating economic performance of the company the unions subsequently approached management and 'signalled their willingness' to negotiate teamworking; a major challenge requiring an innovative method to accommodate bargaining with both moderate and militant union branches.

In 1998 unions at both Scunthorpe and Teesside signed site level Teamworking Enabling Agreements establishing a set formula for each department to separately negotiate the introduction of teamworking following two subprocesses: a joint problem solving process termed the Key Task Analysis (KTA) followed by negotiations to reach a Departmental Teamworking Agreement. In design at least, this set formula followed established advice (Walton and McKersie, 1966) on how to negotiate mixed bargaining issues separating integrative (the KTA process) from distributive bargaining (over the Departmental Teamworking Agreements).

In the initial KTA stage each department appointed its' own project team of nominees from management and the union branch to improve performance through the

effective design and implementation of teams (Teesside Site Teamworking Agreement). The KTA project team in each department conducted a detailed work-study programme, asking employees to identify the key work tasks and record the time spent on each activity. Using this information the project teams collated the necessary skills in each team, planned essential training and made non-binding 'proposals' on the structure of teamworking. A manpower utilisation figure was also calculated from the key tasks identified, the time taken to perform these tasks and the current manning levels prior to teamworking. This figure provided an indication of the likely extent of demanning as a result of teamworking.

The second stage of negotiations to reach a separate Departmental Teamworking Agreement (12 sets of negotiations) began when each department finished its' KTA. These negotiations dealt with the two main contentious issues, the manning levels and payment for teamworking. Management sought teamworking primarily to improve the financial performance of the sites by cutting manpower costs, aiming for a 20% reduction in manning and no pay increases. In contrast, the unions insisted there should be no compulsory redundancies, employees should receive increased pay for extra duties and 'demoted' employees should not lose pay in teams. The site-wide Teamworking Enabling Agreements established two processes to address these problems. First, management launched 'career aspiration interviews' to identify 'life planners' who could take early retirement with full pensions from 55 years of age. Manning could be reduced significantly if a sufficient number of volunteers were found. Second, the Enabling Agreement established a 'weighted average' principle to set pay in teams within each department. The salaries of all employees in a department moving into a team created a 'pot' to be divided between the two grades of team member and team leader. Employees formerly earning more than their new grade were 'red circled' with salaries protected at the former level. However, management insisted that the total salary bill would not be greater than before teamworking. Senior managers hoped these assurances would encourage union branches to cooperate in the KTA process.

4. RESEARCH METHODS

Between 1997 and 2003 we collected information on teamworking negotiations in 12 departments after the agreements were signed. The departments are listed in Table 1. Both sites contained similar iron and steel-making departments with mills for the further processing of steel. We report on 8 departments at Scunthorpe and 4 from

Teesside where we conducted 32 separate interviews with the Departmental Managers, line managers and trade union representatives. In all but one case, interviewees agreed to be recorded and the tapes were fully transcribed. The shortest interview lasted 45 minutes and the longest two and a half hours. In addition, personnel directors and lead trade union representatives were repeatedly interviewed at different time points throughout the fieldwork in order to clarify the key issues arising.

The semi-structured interviews of managers and union representatives contained the same questions on the two KTA and Departmental Teamworking Agreement stages of the negotiations. Three questions concerned the Key Task Analysis. First, was it mainly 'an accurate and open exchange of information, genuine cooperation and a joint search for solutions', or 'uncooperative, information was distorted by both sides, with management and unions trying to gain at the expense of the other'? Second, we checked this impression by inviting the interviewee to expand on 'what were the key issues or difficult matters to resolve', and third 'evaluating the KTA process overall, what would you say you achieved from it'. Six more questions covered the negotiations to reach Departmental Teamworking Agreements: the main aims at the start of negotiations; whether the process was mainly cooperative or conflictual; the key issues discussed; the relative bargaining strength of the negotiators; the main concessions; and main achievements from the process. In addition we asked three further questions to capture the attitudinal components of the bargaining relationship on the dimensions recommended by Walton and McKersie (1965: 185) who drew on Selekman *et al.* (1958: 4-8): whether the negotiators trusted the management/union branch; whether the negotiations were friendly or unfriendly; and success or failure in persuading bargaining opponents to accept their views as legitimate.

To assess the outcomes we collected the manning reductions for each department from the Agreements and changes in pay from company information. The data was cross-checked with managers and unions in the departments and confirmed as accurate.

5. COOPERATION AND CONFLICT IN THE NEGOTIATIONS

Interviews with senior management and union officials, the departmental interviews and analysis of the transcripts indicated two distinct groups of departments where the negotiations were quite different; seven departments where negotiations had been

'cooperative' and five where 'conflict' had predominated (Table 1). Although we might expect the departments to vary on a continuum rather than fit into two distinct categories the pattern of activity in these 12 departments suggested a sharp dichotomy existed in approaches.¹ This was confirmed by numerically coding the responses given in the interview transcripts of departmental managers and union representatives to identical questions. Table 1 reports the scores for each department on questions concerning cooperation and conflict during the negotiations covering the KTA and Departmental Teamworking Agreement combined with attitudinal indicators of the relationship between local managers and the union branch during this period. The average score for the seven departments we label 'cooperative' (23.57) ranged from 26 to 21, indicating much greater cooperation than in the five departments we label 'conflict' (averaging 16.2) which ranged from 12 to 18

(Table 1 about here)

Adding together management and union reports (the total column in Table 1) reveals the 'cooperative' departments indicated more cooperation than 'conflict' departments ($t(10) = 5.60, p < .001$). Combining management responses across 5 questions reveals those in 'cooperative' departments were statistically more likely to report cooperation compared to managers in 'conflict' departments ($t(10) = 3.51, p < .01$). This was also the case for combined union responses across the five questions ($t(10) = 3.10, p < .05$).

We took several steps to validate these interviews. First, as described above we checked for internal consistency in description during the interview by inviting the respondent to describe the negotiations in some detail. Second, we checked that union stewards and managers both confirmed the designation of negotiations as either 'co-operative' or 'conflictual'. No respondents in these departments suggested it was a mixture. Third, we guarded against post-hoc interpretations of the negotiations by two methods. We took interviewees carefully through the different stages of the negotiation and our in-depth knowledge of the progress of talks in each department collected during repeat interviews with Personnel Directors and full-time union officers during the negotiation process allowed cross checking descriptions and our classification with these 'informed insiders'. Fourth, interviews with the departmental managers at Scunthorpe were cross checked against an interview with

¹ In this paper we have excluded other departments where the unions and managers pursued very idiosyncratic strategies reported in (author reference).

a line manager from each department and interviews frequently involved two union representatives from the department. Fifth, attitude surveys of all employees conducted in 2002 following completion of the negotiations invited employees to classify the industrial relations climate in their department. This confirmed the industrial relations climate was more positive in the seven co-operative compared to the five conflict departments.² Finally, a previous survey of ISTC union representatives conducted in 1997 covered 9 of these departments and indicated a remarkably similar industrial relations picture in each department compared to that gathered in interviews 3-4 years later.³

The relationship pattern between management and unions in each department reflected an enduring set of interrelated attitudes and actions that structured their relationship throughout the negotiations. It has long been recognised that dramatic and enduring differences in industrial relations processes exist between departments in work sites (Gouldner, 1954; Sayles, 1958). These are the result of a wide range of closely interrelated factors including: technological, market and power contexts; the basic personalities involved; the social belief systems of the key actors (see also Fox, 1974); and actual bargaining experiences (see Dunlop, 1958; Walton and McKersie, 1965: 190). We provide a brief summary of the important factors as we introduce each department below. The economic and technological aspects of each department were closely intertwined with the historical relationships, the personalities involved and the ideological determinants of industrial relations.

² Industrial relations climate is the average of scores to four items taken from Dastmalchian et al. (1991) included on an employee surveys undertaken in 2002: 'unions and management work together to make this a better place to work', 'unions and management have respect for each other's goals', 'in this department, negotiations take place in an atmosphere of good faith' and 'a sense of fairness is associated with union management dealings in this department'. Each was measured on a five point scale from 'strongly agree' (=1) to strongly disagree (=5). A reliability test indicated the items could be combined ($\alpha = .91$). A t-test revealed the mean score (3.36, s.d. .84) for employees in the seven departments we label 'cooperative' (n=376 respondents) was statistically different ($t=-3.82$, $p<.001$) from employees (n=394) in the five departments we label 'conflict' (mean = 3.59, s.d. .81).

³ This survey was distributed to ISTC branch representatives attending Divisional Conferences and we received responses from five (Heavy Section Mill, Medium Section Mill, Scunthorpe Concast, Bloom and Billet Mill and Scunthorpe Ore Preparation) of the departments labelled 'cooperative' and 4 of the departments (Teesside BOS, Teesside Beam Mill, Teesside Production Services and the Heavy Plate Mill) labelled 'conflict' in this paper. In response to a general question 'Speaking in general, how would you best describe the current relationship between your union and managers in your department' all five departments labelled 'cooperative' in this paper indicated a 'high level of cooperation' or 'cooperation' whereas four of the departments classified 'conflict' in this department indicated 'conflict'. This was cross checked against a further question asking whether on 16 issues managers and unions in the department 'mainly cooperated', were 'mainly in conflict' or 'equal cooperation and conflict'. On average the 5 plants indicating overall cooperation identified 9.4 issues where they mainly cooperated, 4.4 mixed issues and 1.8 conflict issues. In contrast, the 4 departments indicating conflict overall reported on average 2.5 issues where they cooperated with management, 6.25 mixed issues and 7.5 conflict issues.

6. 'COOPERATIVE' NEGOTIATIONS

The Key Task Analysis

The KTA process was described during interviews as genuine joint problem solving in 7 'co-operative' departments with on average 4 members in the project team, 2 managers and 2 union nominees (Table 2, column 2). Table 2 outlines the key features in contrast to the 'conflict' departments.

An important factor explaining union cooperation with managers in the KTA in these departments was the higher levels of trust and the more cooperative industrial relations climate at Scunthorpe in contrast to the greater conflict and lower trust at Teesside. Greater union militancy was reported at Teesside even when comparing departments with similar technology in Scunthorpe as in the case of the mills and Concast areas. This difference was attributed to labour traditions in the two areas, alternative job prospects, key individual leaders of the trade unions, and the fluctuating economic fortunes of the two sites described above (see author reference for more details).

Scunthorpe Energy Operations department provides gas, water and electricity for the site. The 24-hour process involved monitoring equipment in central control rooms and planned maintenance out on the site. It had a strong engineering culture with set tasks carefully prescribed and established skill ladders for promotion. The departmental manager explained the engineering ethos ensured there was 'no contest' within the KTA team 'well led' by two managers and a 'high level of involvement by the union and the process operators'. The union official agreed the KTA was a 'a co-operative process' (Table 2) with 'the same group going around together, everyone was interviewed by two or three people from the group' and 'people subscribed to the process'. Accurate information provided during the KTA 'brought clarity and defined the team structure' in a number of ways, for instance by 'identifying how much craft work needed to be done on shifts by process workers in teams, and how much could be done on days by craft workers'. The KTA 'provided the building blocks for the development of the teams in future months' identifying training needs to develop further skill acquisition and task flexibility. The union branch was 'quite aware that cooperation in the KTA had implications for manning reductions' describing the KTA as 'a type of time and motion and obviously you would end up with less people'. However, in the 'hostile economic environment' the union thought teamworking and demanning were necessary to improve departmental

performance (Table 2, column 2). The high level of trust between unions and managers (Table 1) encouraged the union 'to get in early, recognising what it was all about, because if we left management to do it they might come up with a proposal that might be even worse'.

High trust was also evident in the Medium Section Mill (Table 1), a rolling mill where the 'progressive' attitude of the union had encouraged capital investment and supported a total quality programme. It was selected as a pilot department to begin the first KTA under the guidance of a manager 'enthusiastic' to use teamworking to further change the culture and encourage employee involvement. The KTA team of 3 managers and 2 union representatives 'looked at all the jobs', collated over 3,000 tasks and openly shared ideas on how work reorganisation could improve performance. Employees readily co-operated with the process (Table 1), providing 'full and frank information' on tasks and activities and 'a range of ideas' on improving the work process. A union representative explained he encouraged open information sharing because the KTA 'allowed employees to be involved', 'alternatives to be aired' about the effective design of teams and believed 'there was no hidden agenda for the KTA, you just looked at the jobs and how long it took'. The KTA findings provided managers with important information to clarify their thinking on the structure of teams and how they could meet manning reduction targets, as the departmental manager explained:

The KTA initially identified natural synergies within the mill that allowed some 7 or 8% of manpower reduction but the business had a desire for something in the order of 15% manpower reductions. The KTA then actually pointed us towards reconfiguring the teams around the process flow [rather than geographically] and make the 15% manning reduction that we aimed for ... we probably wouldn't have thought of organising teams in that manner if we hadn't done it from a key task analysis point of view.

In the remaining five departments where unions cooperated in the KTA they were less inclined to trust management (Table 1, column 9). Scunthorpe Heavy Section Mill had a complicated and varied process and product range with employee flexibility to accommodate frequent roll changes. In exchange for capital investment in the early 1990s it reorganised into 'natural working groups' (a forerun of teamworking) with groups of 30-40 reporting to foremen. With prior experience of group working the department was encouraged to be among the first to agree teamworking. The departmental manager explained the 'cooperative' and 'forward thinking' union

branch (Table 1) 'shared the same aim' of working the mill effectively and the KTA team concentrated on the skills and training each team would require. There was 'not a lot of fear' and 'people realised it would be to their benefit to accurately describe their job content'. The 'positive' union branch 'were honest about the scope for manpower reductions if they had the volunteers ... so nobody would have to be made compulsorily redundant'. The union cooperated and 'bought into identifying the scope for manning reduction in the KTA' because many of their own members as 'life planners' were eager to accept a generous retirement package.

Dawes Lane Coke Ovens at Scunthorpe was a stable process where variation damaged the batteries and threatened emission control. Jobs varied little with fixed tasks at manned points. In a department physically isolated from the rest of the site managers and employees shared a strong sense of mutual interdependence and preferred to 'deal with issues together when we see them coming'. The union branch cooperated with the KTA in this spirit recognising 'we knew teamworking and demanning were coming and it was evident the way the company was performing we had to do something'. A union representative regarded the KTA as 'putting the meat on the bones to justify the reduction in numbers' and 'as the only way to do it because you had to look at the workload to decide how many people were needed in teams'.

At Scunthorpe Concast the continuous casting of molten iron into steel generated mutual dependence among workers, competition between casting crews and increasing employee input into redesigning work. Closer cooperation developed between the union branch and management following the departure of a militant branch secretary. The departmental manager felt 'the KTA was successful because of the strength of the people involved'. A manager who participated in the KTA team described it as 'debate and compromise, not negotiation', 'we worked well as a team and began to trust each other', 'a fairly high level of shift involvement' and 'the union didn't hide anything, no point'. The union 'wanted to be involved to do what's best for the plant' and hoped the findings would 'give a floor to manning'. The findings 'confirmed what we wanted' for management.

The Bloom and Billet Mill at Scunthorpe was tightly manned with cash conservation restricting overtime and historically had 'amicable' industrial relations. It was in the process of moving to 'natural working groups' with team leaders but no craftsmen in 1998 when the site enabling agreement was signed. Neither managers nor unions

had the appetite to restart the process and the KTA team concentrated on how to move craftsmen into the teams and reduce manning.

The Ore Preparation department at Scunthorpe produced coke and moved materials around the plant in a constant process which was geographically spread outdoors giving workers a sense of autonomy. Workers expressed mutual respect of an indulgent departmental manager who had taken 25 years to work his way up the department. The KTA team 'agreed the way that we were going to do it: a method, a manner and the complete process'. A participating manager explained when they 'faced indecision on how much work was involved in the process, we would debate it and reach a compromise both felt was sensible'. The departmental manager explained the information on work tasks provided by the KTA was essential to justify lower manning. Whereas manning levels and tasks in this department were previously based on 'history and anecdotal evidence', the KTA clarified the time necessary for each task. For example, it was now agreed it should take 'between 7 and 11 minutes depending on the person' to clean out a chute that carries iron ore. Previously he commented 'X number of people turned up for work and the plant operated, but no-one really knew in detail what each of those people at work contributed to the running of that shift'.

Unions in all these departments shared the long established Scunthorpe tradition of cooperating with management either to attract investment or because they shared the perception that the department was isolated and ignored by the rest of the site. The KTA teams agreed how to study work tasks, analyse team structures and identify the skills and training required. Managers and unions shared information openly and worked together to overcome problems and design effective teams. As a result of the process an average manpower utilisation of 69% was recorded in these departments (Table 2, column 2) suggesting management's aim to reduce manning by 20% could be realistically negotiated.

Departmental Teamworking Agreements

Table 3 (column 2) outlines the main features and outcomes of subsequent negotiations to reach the Departmental Teamworking Agreements following cooperation in the KTAs in contrast to the 5 conflict departments (column 3).

The KTA findings left managers in a strong bargaining position to deliver manning reductions compared to the weak position of the unions (Table 4). In the Energy

Operations department managers reported 'quite an easy ride' in friendly negotiations (Table 1) as the Teamworking Agreement 'went through fairly quickly' after the KTA. The KTA 'provided clarity' for managers to 'set out the plan', insisting the unions abide by the demanning implications of the manpower utilisation rates jointly produced by the KTA process. Managers adopted 'final offer first' tactics, refused to make concessions over manning and pay and even argued that 'as a result of ongoing and future process improvements utilisation would shrink, there would be quite a bit of slack, and we could take a few more men out'. The proposals for manning levels below those suggested by the KTA led the union to conclude the KTA had been a 'cosmetic' exercise. Managers recalled 'reducing the numbers was no contest after the KTA' as the union shared a 'common goal to resolve any issues' and the union negotiator explained he felt 'totally and absolutely over a barrel' in agreeing to manning allowing 'absolutely no slack'. Refusing to negotiate on pay managers insisted 'The constraints of the weighted average system brought no new money into the pot' and 'most of the men don't think they got anything out of it' (union representative).

The manager of the Medium Section Mill similarly explained that collective bargaining was effectively decommissioned by the KTA commenting 'because the manpower reductions were there in the KTA that saved time' in reaching the first departmental agreement across either site. The union branch regarded teamworking as 'inevitable', felt 'we couldn't argue about pay because of the weighted average system' and reached agreement in friendly negotiations (Table 1) after a few minor pay concessions by management (Table 4).

The departmental manager of the Heavy Section Mill at Scunthorpe did not feel it would have proved possible to negotiate an agreement without the KTA and joint union ownership of the proposals as the branch did not trust management (Table 1). He explained 'The KTA report ... was bought into by trade unions and the management, saying that 'we produced this', a group which included trade union officials', and in dealing with the union 'we had to refer back to the KTA to say 'look, the KTA says we can do this with this amount of manpower''. In the friendly negotiations (Table 1) 'pay was a secondary issue, not a major stumbling block', with 'debates but it was really quite straight forward' and agreement 'moved at a fair pace' to implement the weighted average system.

Managers in Dawes Lane Coke Ovens also made their 'final offer first' recalling 'at the start of the negotiations we took them right through the implications of the KTA and made them well aware of where we were going to end up. They couldn't really

argue against much of it ... we had a view from the KTA of where we wanted to be and we finished not far away from that'. Crucially, the KTA committed employees to accepting lower manning because the shop floor was involved in clarifying the required tasks: 'the KTA was used to back up the manning levels that we proposed', and 'there was an understanding on both sides that we had to get reduction for the sake of the company, the unions went along with that and the KTA smoothed the way'. Although the negotiations remained friendly (Table 1), managers made no concessions (Table 4) and the union did not feel managers listened to their point of view (Table 1).

The union branch in Ore Preparation at Scunthorpe felt managers were conflictual in the negotiations and did not deserve their trust (Table 1). The departmental manager explained 'rather than everyone working under their own assumptions, the fact that "we have always had two men to do that"', the KTA gave him evidence to 'open the eyes of some of the union reps'. The union branch accepted demanning as 'inevitable' for the future of the works and felt they had little scope to bargain. Negotiations on pay were 'relatively painless' for management and agreement was reached following only three meetings, 'explaining to the unions how the weighted averaging system operated' and clarifying payments for 'acting up' as a team leader. The union representatives from the Bloom and Billet Mill at Scunthorpe also did not trust management (Table 1) and faced with the same tactics explained 'basically we just implemented teamworking, and management got what they wanted because they wouldn't deviate from the KTA numbers'. Joint-problem solving restricted the ability of union negotiators to reopen issues and bargain 'hard' over pay as a condition for agreeing to teamworking. As a result the union negotiator explained 'we had to concede our demands on pay because what management were saying was right according to the weighted average system' and 'the pot [to fix pay] was automatic'. The manager confirmed 'I felt in a strong position because we had followed the agreed protocols and didn't have to negotiate on pay'. Managers at Concast in Scunthorpe described an 'upfront style ... we tabled an end point at the start and finished near it'. Although the union registered a 'failure to agree' over manning levels managers made few concessions.

Few departmental managers reported having to make significant concessions following joint problem solving in the KTA process (Table 4), unions were unable to reject management proposals on manning and sharing information had prevented union branches from bargaining hard to increase pay.

7. 'CONFLICT' NEGOTIATIONS

In the other five departments unions did not cooperate with managers in either the KTA or the Departmental Teamworking Negotiations.

The Key Task Analysis

In these departments the average size of the KTA project team was larger with 6 members, and 4 union nominees outnumbered 1 or 2 managers (Table 2, column 3). The interviews revealed two 'interventionist' and three 'pragmatic' branches (Frost, 2001) in the KTAs. At Teesside Beam Mill and Concast departments unions intervened from the start of the KTA to control the collection of information, connect the analysis of jobs to manning outcomes, demonstrate teamworking would require current manning levels, and effectively bargain hard over manning (Table 3, column 3). Experienced branch secretaries joined the KTA project teams alongside less experienced managers. The Personnel Director for the Teesside site explained:

None of the managers we placed in those KTA teams were experienced in terms of industrial relations. So it was the union guys who ended up analysing key tasks and the unions then formed a very strong negotiating team ... The Key Task Analysis took a long long time ... these union guys wanted to argue out every single item. Everybody recorded more work tasks than they actually did, utilisation was higher on record than in reality, it became a negotiation for all of them.

In contrast to cooperative union branches at Scunthorpe with similar technology and working practices, these militant branches were involved in the KTA to defend traditional working methods, or to trade more intensive working practices for higher pay in the final agreement. The moderate unions at Scunthorpe had attracted capital investment in three of the mills (the Medium Section Mill, Heavy Section Mill and Bloom and Billet) in return for accepting group working pre-dating teamworking. However, militant union branches in the mills at Teesside had rejected group working despite attracting similar investment.

In the Teesside Beam Mill the introduction of teams into the roll preparation area three years previously and ongoing capital expenditure in the finishing end had little impact on industrial relations. A high level of member participation created a very active union branch with separate representatives 'defending' different areas of the mill. With no history of management and union cooperation a manager explained the

union 'behaved to type' and 'made every detail of the KTA a bargaining point to which they would subsequently return in the negotiations'. Managers viewed this in a unitarist fashion complaining 'the workforce was being led by strong union reps who had brainwashed them into logging every minute of every second of every job'. Union representatives felt they had 'cooperated' (Table 1) to ensure 'there was a fair amount of debate over the detailed number of tasks that were carried out and the time allotted to them; there was a fair amount of lobbying to influence the results of the data gathering and how it was collated'.

In the Teesside Concast department employees were highly paid and militant behaviour had successfully 'held the plant to ransom' by threatening to disrupt the supply of steel. The branch had become accustomed to outmanoeuvring line managers before starting hard negotiations with a long-standing and strong departmental manager. The union branch participated in the KTA because 'we wanted to safeguard numbers ... at the same time we understood there was going to be job cutting and we felt that as long as it was done proportionately we could see some benefits'. It 'cooperated' with a line manager to produce the report (Table 1) but when the departmental manager saw the final report it came as no surprise that 'the key task analysis demonstrated that we needed exactly the number of people that we had got. It was a rigged KTA ... I am utterly convinced that they had mechanically done the calculations in reverse order to arrive at the answer they knew they wanted'. In the most extreme case one area came back with reports of employees working '150 per cent of a full shift'.

In these two departments unions sought to inflate and managers sought to reduce the time recorded in the KTA to complete tasks by five inventive methods. First, managers argued walking time between jobs could be excluded as a key task but the unions insisted it should be included. Second, managers argued workers at a fixed station were only 'utilised when the operation was running' or 'when he was called to intervene', whereas the unions assumed he was 'fully utilised while at his post'. A Concast union representative explained 'it is ridiculous to say a man driving a crane 30% of the time leaves him with 70% of his time free because the crane has to be manned all the time during operations' and the unions 'argued black and blue to change it'. Third, managers sought to exclude occasional and non-routine tasks and unions counted these as essential. Fourth, managers worked on the assumption that 100% utilisation was possible and the unions insisted 'full utilisation' included natural breaks and rest periods during work. Fifth, unions appealed to realistic work practices to protect jobs and ensure a high manpower utilisation figure was recorded. For

example one recalled arguing 'The suggestion that crane drivers can keep walking up and down their steps all shift to give you a hand is just not feasible. In all honesty it just does not happen, and you would struggle with a job yourself rather than call them down'. Unions won the arguments over many of these points and 'all the little 5 or 2 minute jobs were all added up in the end'.

The 'pragmatic' and 'sceptical' union branches in the three remaining departments (Teesside BOS, Production Services and Scunthorpe Plate Mill) did not provide information or agree utilisation figures in the KTA. In the Teesside BOS steel-making department militant workers had exploited the dependency of the site on the department to become highly paid. The 'maverick' union branch took pride in 'not having lost a fight with management for eight years. A union official explained 'our branch has never been a 'yes' branch or a 'no' branch ... we wait to see what is best for us. I thought the KTA was absolute nonsense, from start to finish ... it was set up really for them to try and justify the numbers that they already had in mind'. Suspicious of management motives the union officials attended to monitor the KTA interviews 'drinking tea and reading the paper' while an enthusiastic line manager felt the union 'cooperated' (Table 1) in allowing him to collect information on tasks from employees. The union allowed this manager 'to take away and do what they wished with the information' and would not do management's work in the KTA:

we wouldn't sit down and try and work out the numbers because in the negotiations to follow I was going to try and get as many jobs as I could out of it for the lads and if I could squeeze another job out of them I would. But if I put my name to a KTA which said 'that job could be lost' they are going to turn around and say 'well hang on, you said this'. So I refused to have my hands tied.

Similarly in the Plate Mill the main union representative explained 'I wouldn't get involved, I wanted to oversee it because I knew there were going to be problems'.

The Heavy Plate Mill was an unusual militant branch at Scunthorpe because the labour process was semi-manual, jobs were physically strenuous compared to other mills, pay rates were much lower reflecting the skill content of the job, and many employees resented enforced relocation to this unattractive department when other works had closed. A manager explained conflict developed (Table 1) due to that a history of work study 'with a stopwatch [that] struck fear into their hearts ... some feared providing information would lose someone else their job'. As a result 'at the

end of the KTA stage, they would not hand in joint documents or suggest numbers in the teams saying to management 'you have to go and do it'.

The small Production Services department at Teesside provides rail and road transport around the works. It contained three union branches and in 40 meetings a year with management between 15 and 17 union representatives would attend to 'give management hell'. Senior managers were threatening the department with outsourcing and in response the union was 'prepared to go for broke'. Some union branches at Scunthorpe (the Bloom and Billet Mill and Dawes Lane Coke Ovens) cooperated because the departments were 'disposable' in harsh market conditions (see Drago, 1996) whereas the militant branch in Teesside Production Services would not be threatened. Managers 'despaired' and simply conducted their own KTA excluding the union entirely. A union representative explained 'First time I saw the Key Task Analysis report was in the run up to the negotiations. I knew absolutely nothing about it. I didn't even know who had done it until we were negotiating'.

The final KTA reports from these 5 departments identified an average manpower utilisation figure of 86% (Table 2, column 3). Unions had successfully distorted information to produce a higher manpower utilisation rate than cooperative departments. These branches entered negotiations to reach Departmental Teamworking Agreements intent on raising pay in exchange for manning reductions.

Departmental Teamworking Agreements

It took longer to reach Departmental Teamworking Agreements in the 5 conflict departments where managers and unions had not resolved problems during the KTA (Tables 3 and 4). At Teesside Beam Mill the KTA was only 'worthwhile up to a point' for managers who did not believe the high manpower utilisation levels produced by the KTA. Dismissing the validity of the findings in KTA reports managers tried to justify reductions in manning and distance the KTA from final negotiations arguing 'it doesn't really matter about the KTA', 'those figures are irrelevant' and 'we thought that was a recommendation and thank you very much for that, but we see it slightly different, and they wouldn't budge ... the unions never accepted our numbers'. The union sought to hold management to the KTA findings on manning levels as the departmental manager explained:

The KTA was a double-edged sword because the team that did it was made up of union and management representatives. They put the report to us in a quite professional document with their idea of what the teams should be. I found that it tied us fairly tightly in some areas to what they recommended. The union took that as being the basis of the negotiations, and it was very difficult to sell our teamworking proposal which radically departed from the recommendations of the KTA.

As a result the unions were in a strong position to force management to make concessions and reduce their demanning demands and offer more pay (Table 4). The departmental manager explained 'we did have to compromise on our view when we eventually got them to sign', forced to offer concessions 'because they would never accept our arguments for changing the numbers and we didn't succeed in getting our own way'.

Managers also had to compromise on manning figures in the Teesside Concast department with agreement reached when 'the numbers fell into place, and in the end we agreed a number which was the number of people who wanted a job so there were no casualties'. Whereas union branches in 'cooperative' departments accepted pay levels in teams were set 'more or less automatically' through the weighted averaging system, in all the conflict departments the pay negotiations were 'very painful' as managers felt 'the unions wouldn't have teamworking at any price'. Several features of the weighted averaging system were renegotiated at departmental level. Deciding which jobs to include in the 'pot' to derive the weighted average provided ample scope for union branches to demand wage increases. In Concast 'a little bit of, I wouldn't say fiddles' developed as 'we would certainly identify some of the higher rates for certain jobs and we made sure that those rates were put in just to get the average up for the team members'. Unions at Concast convinced managers to include utility employees who covered for absence and holiday leave in the rate calculation but at the highest senior operator rate. They argued that when utility employees took the least skilled job everyone else 'acted up' (moved up a grade) and should therefore be calculated at higher rates. This raised overall pots significantly to placate militant union branches.

In the 'pragmatic' departments the negotiations were no less bad tempered. The departmental manager at Teesside BOS was replaced during the negotiations unable to control the union branch. His substitute explained that despite the union 'pretending' not to be involved in the KTA 'they produced a KTA that justified the

existence of all of the current people. I read it, I ignored it'. This manager then agreed a figure with the HR department which he felt was negotiable, stating 'I did make reference to the document and did demonstrate to them [the union] they were being fucking stupid in some of the labour utilisation figures they were talking about'. After a long period of bluff both sides made concessions. At Teesside Production Services and Scunthorpe Plate Mills new departmental managers were appointed after the KTA, neither side were attached to the KTA reports and negotiations became a more explicit trade of jobs for pay increases.

The Heavy Plate Mill was the final department at Scunthorpe to reach an agreement covering 'traditionally very low paid' employees. Union officials debated 'jobs in the pot' until they felt pay was optimised and increased the overall wage average by including managerial salaries at the top end, and by excluding low paid jobs at the bottom end. The union representative in the Plate Mill explained that a pay rise was arrived at through the weighted averaging system when 'we knocked some [earners] out that were very low and we fetched some [earners] in that were very high', further commenting:

There is no way that we could agree to 80% of the branch being no better off by adopting team working, we might as well stop as we are. It was only by tough negotiating that we could get the weighted average lifted... Some of the low paid jobs we decided were not applicable to team working to incorporate; we obviously knocked them off the bottom. We were fetching metallurgical people in and guys of that nature who, up until teamworking, were not part of our mill but they were on good money. Obviously we wanted that in the weighted average as well.

Finally, even when managers felt they had made significant concessions union branches rejected the final pay offer and returned to demand further concessions.

As Tables 3 and 4 show, 'conflict' departments compared to 'cooperative' departments included many more jobs overall to calculate the weighted average (t score) and more management jobs (t score). Ultimately, managers reflected 'we bought an agreement', 'a mature negotiation based on an understandable lack of trust' and 'a practical agreement based on negotiable numbers'. The negotiations over pay for teamworking were more important in reaching an agreement in the 5 'conflict' departments compared to the 7 'cooperative' departments and in return for conceding demanning the unions extracted concessions from management on pay.

8. THE OUTCOMES OF COOPERATION AND CONFLICT

In the Teamworking Agreements cooperative departments conceded significant manning reductions (30% on average) and on average earnings increased for 18% of employees as a result of the teamworking agreements (Tables 3 and 4). In conflict departments more employees (32%) received a pay increase from teamworking with a lower average reduction in manning (14%). (xxx stat analysis). A comparison by department (Table 4) reveals each cooperative department lost more manning than any conflict department and in only Scunthorpe Ore Preparation did a larger percentage of employees receive increased pay compared to any conflict department.

9. CONCLUSION

This study highlights the importance of the industrial relations process and how trade unions shape the outcomes of high performance work practices for employees. In these two sites where severe competitive pressures encouraged concessions the bargaining strategies and tactics adopted by unions affected employee gains from the introduction of teamworking. Cooperation did not pay resulting in worse outcomes for employees. This was because union branches cooperating openly and sharing information during joint problem solving in the KTA provided managers with important information for reducing manning. Furthermore, union and employee participation in the KTA incorporated workers into management decision making and conveyed a willingness to accept change that undermined the capacity to demand higher pay for teamworking when reaching the departmental agreements. These signals led to union concessions and a failure to insulate collective bargaining from problem-solving in the KTA.

Why then did conflict pay for unions? Unions adopting 'conflict' tactics distorted information or remained passive creating the conditions to exchange demanning for management concessions on pay in the subsequent negotiations. Interventionist branches participated to control and distort information convincing managers they would have to compensate workers for any significant change, whereas passive branches simply refused to discuss change until managers made a firm offer. In both cases, these tactics protected unions from disclosing vital information that would undermine their ability to negotiate concessions from management when establishing teamworking agreements. These unions also demonstrated a willingness not to sign

agreements if the terms were not acceptable. What types of conflict tactics were most successful? We found no evidence to support Frost (2001) that intervention was preferable to pragmatism as militant unions adopted both passive and active tactics to good effect to deal with joint problem solving.

The type of open information exchange that occurred in the KTA is not unusual in shop-floor initiatives to improve product quality and organisational performance. It was particularly important how unions dealt with the requirements both to cooperate to change working practices and conflict to capture a share of the gains from improved workplace performance (Walton and McKersie, 1965). The unions were vulnerable to the central dilemma of mixed bargaining; the tactical requirements of joint problem solving to improve workplace performance (open information sharing) were the opposite to those required to claim a share of the gains (distorting information) (Walton and McKersie, 1965). Sharing information can undermine the ability of unions to protect or advance the terms and conditions of employees, for example in this case it revealed significant scope for demanning that unions were prepared to accept. The dilemma over sharing and concealing information central to labour negotiations explains why unions continue to have an incentive not to cooperate fully in joint problem solving to improve workplace performance. It is not as easy as advocates of mutual gains claim to insulate negotiations to divide the gains from introducing HPWPs from any decisions reached during previous joint problem solving sessions (see Roche and Geary, 2002: 660-1).

For unions, separating integrative and distributive bargaining did result in teamworking agreements. Without this process senior union officials did not believe branches would reach agreements given the reductions in manning and limited pay available for teamworking. However, differentiating between the two processes did not reduce the chance of benefiting disproportionately as moderate union branches made greater concessions and militant branches extracted greater gains. Joint problem solving worked to the advantage of management where cooperative union branches agreed to make concessions and demanning was subsequently greater and pay increases lower. Where more militant union branches participated in the KTA process in a passive or interventionist manner they were able to extract more concessions from management in return for teamworking. However, forcing by management, prior union commitment to reach agreement and the economic circumstances ensured militant union branches could be forced to concede a significant reduction in manning, albeit somewhat less than that conceded by cooperative branches. The KTA process provided rules to make agreement possible

establishing the conditions under which gaining an advantage was considered legitimate in bargaining and would not undermine progress towards reaching an agreement. Differentiating between the two sub-processes allowed cooperative union branches to clarify their preferences and make concessions during joint problem solving and militant union branches to make clear their resolve and indicate the level of concessions required to reach the teamworking agreement.

What are the broader practical implications of the study? Why did the Scunthorpe unions cooperate and were they wrong to do so? As we stated at the start of this paper no simple relationship exists between union cooperation and conflict and employee outcomes. Corus lost £458m in 2002-3 despite making 12,000 job cuts since 1999. In April 2003 Corus announced it would concentrate UK steelmaking for the company at Scunthorpe and Port Talbot. Teesside escaped closure but its' remaining 2,900 workers would have to find external customers for 3 million tonnes of annual output. The Chairman of Corus stated 'We genuinely believe Teesside can have a future. It will mean a change of approach by both management and workforce' (*Guardian*, 30 April 2003). Scunthorpe received £42m invested in production facilities because it had improved financial performance by reducing costs and union concessions in accepting teamworking played a part in this. The moderation and concessions by Scunthorpe unions had undermined worker gains from HPWPs and potentially increased long-term job security. However, a reminder that long term security is not guaranteed appeared in 2003 when the closure of the Heavy Section Mill was announced with the loss of 156 jobs; union moderation and concessions may still not be enough to save jobs in declining industries.

So why did Teesside unions engage in conflict and were they right to do so? The militancy of these unions had ensured workers gained more from the introduction of teamworking than their counterparts at Scunthorpe. However, this led to higher employment costs weakening the relative financial performance of these departments, contributing to the Corus decision to favour Scunthorpe and potentially damaged long-term job security. In reality the long-term outcomes from the decisions of unions to cooperate with management or to adopt a militant stance cannot be foreseen. Teesside unions believed the Corus decision to favour Scunthorpe was decided many years previously, all industrial sites had a finite life and the best unions could achieve was to maximise earnings for the remaining workforce and keep the departments operating for as long as possible.

Union cooperation with HPWPs did not pay for employees and was unpalatable in the short term. Union conflict with management over HPWPs did pay for employees in the short term but it made workplaces untenable in the long term. In declining industries unions and employees can cooperate with HPWPs and pay now or conflict to extract greater gains and pay later as companies make coercive comparisons between employment costs in different sites.

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	PROCESS						ATTITUDINAL						TOTALS			
	Management view KTA ^a	Union view KTA ^a	Management view of Dept. Negotiations ^a	Union view of Dept. Negotiations ^a	Total Process ^b	Management trusts union ^c	Union trusts management ^c	Management persuades union ^d	Union persuades management ^d	Management reports friendly negotiations ^e	Union reports friendly negotiations ^e	Total Attitudinal ^f	TOTAL	Management cooperation	Union cooperation	
Cooperation departments	Scunthorpe Energy Operations	2	2	2	2	8	3	3	3	3	3	18	26	13	13	
	Scunthorpe Medium Section Mill	2	2	2	2	8	3	3	3	3	3	18	26	13	13	
	Scunthorpe Heavy Section Mill	2	2	2	2	8	3	1	3	3	3	16	24	13	11	
	Scunthorpe Dawes Lane Coke Oven	2	2	2	2	8	3	2	3	1	3	15	23	13	10	
	Scunthorpe Concast	2	2	1	1	6	3	2	3	2	2	15	21	11	10	
	Scunthorpe Bloom & Billet Mill	2	2	2	2	8	3	1	3	2	3	15	23	13	10	
	Scunthorpe Ore Preparation Plant	2	2	2	1	7	3	1	3	3	3	15	22	13	9	
	Average cooperation departments	2.0	2.0	1.86	1.71	7.57	3.0	1.86	3.0	2.57	2.86	2.71	16.0	23.57	12.71	10.86
	Teesside BOS Plant	2	1	2	1	6	3	1	3	1	3	1	12	18	13	5
	Teesside Beam Mill	1	2	1	1	5	1	1	1	3	1	1	8	12	5	8
Conflict departments	Teesside Concast	2	2	1	1	6	1	1	3	1	2	9	15	9	6	
	Teesside Production Services	1	1	1	1	4	3	2	3	1	3	14	18	8	10	
	Scunthorpe Heavy Plate Mill	1	1	1	1	4	2	2	3	2	2	14	18	9	9	
	Average conflict departments	1.4	1.4	1.2	1.0	5.0	2.0	1.4	2.4	2.2	1.8	11.4	16.2	8.8	7.6	

^a Items coded 1 'cooperation and open information exchange' and 2 'uncooperative and information distorted'.

^b Combined score of management and union responses on KTA and Departmental Negotiations, 8 = maximum cooperation, 4 = minimum cooperation.

^c Item coded 1 'distrust', 2 'mixture of trust and distrust', 3 'trust'.

^d Item coded 1 'unable to persuade', 2 'could persuade a little', 3 'generally able to persuade'.

^e Item coded 1 'unfriendly', 2 'mixture of friendly and unfriendly', 3 'friendly'.

^f Combined score of management and union responses on trust, persuasion and friendliness: maximum cooperation = 18, minimum cooperation = 6.

Table 1 Description of negotiations and industrial relations in each department.

Table 2 Cooperation and Conflict in the Key Task Analysis

	<i>7 Cooperative departments</i>	<i>5 Conflict departments</i>
KTA Team	Average of 4 members, 2 managers and 2 union nominees.	Average of 6 members, 1-2 managers and 4 union nominees.
Key characteristics	Open information sharing. Unions described the inevitability of manpower reduction	Distorted information as employees inflated tasks and management concealed information. Arguments over measurement of jobs.
Main benefits	Managers found details useful to clarify thinking on structure of teams and how to reduce manning. Employees involved.	Unions sought to establish minimum manning levels and managers sought to commit unions to manning reductions.
Generation of alternatives	Alternatives aired.	Both sides confirmed existing views with few alternatives explored.
Outcome of KTA ^a	69% manpower utilisation	86% manpower utilisation

^aManpower utilisation rates are averaged and taken from the final Departmental KTA Reports.

Table 3 The Departmental Teamworking Process Settling Pay for Teamworking in Cooperative and Conflictual Departments.

	<i>7 Cooperative Departments with joint problem solving in KTA</i>	<i>5 Conflict Departments with distributive bargaining in KTA</i>
Signed agreements ^b	Early	Late
Relationship to KTA	Managers enforced KTA manning implications and unions accepted.	Unions or management sought to enforce/distance findings of KTA.
Management bargaining power ^a	Strong	Moderate
Union bargaining power ^a	Weak	Moderate
Management achievements ^a	Quick agreement, varied gains	Few gains after prolonged negotiations.
Management concessions ^a	Few	Some on manning and pay. Side payment of 12-hour working.
Union concessions ^a	Manning and pay	Manning and pay
Success in persuading other side ^a	Both management and unions experienced success	Some union success
Jobs included in calculating weighted average (average number) ^b	10	28
Management jobs included in calculating weighted average ^b	In two-thirds of cases	In all cases
Union ballot on agreement ^a	Approved in all	Initially rejected in one half
<i>Outcomes</i>		
Eventual negotiated manning reduction ^b	30%	14%
Average earnings/shift for teamworking ^b	£64.19 ^c	£71.91
Percentage with increased earnings under teamworking	18%	32%

Notes

^a Sourced from interviews

^b Sourced from Departmental Teamworking Agreements

^c Excludes 2 departments where figures not available, Heavy Section Mill and Heavy Plate Mill.

Table 4 Outcomes of Teamworking Agreement by Department

Cooperative Departments	Date signed	Management bargaining power	Union bargaining power	Management concessions	Union concessions	Utilisation rate KTA %	Manning reduction %	Number of jobs included to calculate weighted average	Employees with increased pay %	Average earnings per shift £
Scunthorpe Energy Operations	9 March 1999	very strong	strong	pay structure, 1 man	seniority, manning, 5 shifts		27	10	14	65.96
Scunthorpe Medium Section Mill	9 Dec 1998	strong	strong	minor on pay	20 more jobs lost through capital expenditure	76	30	4	14	62.48
Scunthorpe Heavy Section Mill	19 March 1999	very strong	strong	didn't contract forklifting, 1 man	manning	76		2	11	
Scunthorpe Concast	2 July 1999	neither	strong	minor- more people in teams	manning, few capital expenditure didn't appear	73	29	16	22	70.45
Scunthorpe Bloom and Billet Mill	9 July 1999	very strong	weak	few grades	jobs	61	20	14	15	59.2
Scunthorpe Ore Preparation Plant	19 June 1999	strong	neither	minor- make-up pay for cover	manpower leading to safety problems	55	42	11	27	65.7
Dawes Lane Coke Oven	27 July 1999	strong	very weak	dropped contractors	new rota, differentials between jobs	75	32	13	21	61.35
Average						69	30	10	17.7	64.19

Conflict Departments	Date signed	Management bargaining power	Union bargaining power	Management concessions	Union concessions	Utilisation rate in KTA %	Manning reduction %	Number of jobs included to calculate weighted average	Employees with increased pay %	Average earnings per shift £
Teesside BOS	14 Sept 2000	weak	very strong	pay, took work off contractors	seniority		13		38	74.56
Teesside Beam Mill	8 March 2000	weak	very strong	manning, team structure, gave lots of options	seniority, teamworking of itself	71	15	42	34	71.01
Teesside Concast	7 Sept 1999	neither	very weak	none	seniority, branch ownership of jobs	21	20	93		
Scunthorpe Heavy Plate Mill	28 April 2000	strong	weak	pay, changed structure, overtime	manning, differentials between team leader and member pay				38	
Teesside Production Services	2 March 2000	neither	weak	Threw money at it, reduced level of flexibility, no further contractors	rail conceded	26	9	93	26	61.26
Totals						86	14.25	28	31.8	71.91

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