

## One Last Chance

As we did with our first issue of *ICB briefing*, we are sending this issue to a large group of alumni. If you read the newsletter and find it valuable, please let us hear from you. We are happy to continue sending you future issues of *ICB briefing*, but will not again distribute a large mass mailing.

To remain on the mailing list (or to share your comments and ideas), just call (607-255-4380), write (Maralyn Edid, NYSSILR, Cornell University, Ithaca, NY 14853-3901), or e-mail (me16@cornell.edu).

Thanks for your cooperation.

## Alert....

Looking for innovative ideas or contract language on issues such as partnership, health care, employment security, and downsizing? The Federal Mediation and Conciliation Service and the Office of the American Workplace recently issued a jointly prepared 36-page publication that contains a sampling of contract provisions on these and other issues. For a free copy of *Guidelines: Innovative Collective Bargaining Contract Provisions* (FMCS: Issue No. 1, January, 1995) call the FMCS at 202-606-8100.

Representatives of labor and management who have used the strategy and techniques of mutual gains negotiations met to discuss their experiences during a two-day symposium at Cornell last December. ILR has just released copies of the proceedings, which are available for \$5 each (or \$3 when ordering five or more). Contact Mari Kearnl at 607-254-4468 or write to her at NYSSILR, Cornell University, ILRExtension Bldg., Ithaca, NY 14853-3901.

# Levi Strauss and ACTWU Embark on New Partnership

The roots of the budding partnership between Levi Strauss & Co. and the Amalgamated Clothing and Textile Workers' Union (ACTWU) go back some eight years, when the two sides joined forces around the issue of health and safety. Although their adversarial relationship persisted in other arenas, about three years ago company executives realized that layoffs and offshore contracting had not made any noticeable impact on profits or market share. So top company officers approached union leaders and suggested the two sides work together to change the way they interact and the way work is done.

The result: a spare and nonspecific seven-page "partnership agreement" that lays out the parties' joint objectives, mutual beliefs, and shared modes of governance at the strategic, business unit, and plant levels. The document calls for "(p)roactive and direct employee participation," as well as "(f)ull, joint commitment to the achievement of customer service targets and the development of a high performance work environment..." After months of exploring the concept and ramifications of a "limited partnership," negotiations over language began in June, 1994 and concluded the following February. Representatives from Levi Strauss and ACTWU explained the new arrangement at an Institute of Collective Bargaining briefing that was held in April.

Consensus is the partnership's mode of operation. Workers and the union are active participants in plant redesign teams and can block proposed changes if they don't fully understand or concur in the modifications. To date, the partnership has been most successful at the local level, where problems are discrete and goals are clearly identifiable. The union helped develop a safety program that has cut workers' compensation costs by 175%, and rework productivity jumped more than 15% during a four-month period. Working together on the strategic level has evolved more slowly. The partners have excluded marketing, financial, and pricing strategies from the realm of consensus decision making, although executives say they welcome consultation

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with the union on these matters.

Critical to the longterm viability of the partnership is the joint commitment to cease the pro- and anti-union activities that have fomented conflict and disrupted operations in many locations. The agreement goes so far as to acknowledge the value of union membership and the desirability of increasing ACTWU rolls. (ACTWU currently represents about half of Levi Strauss's 20,000 employees in U.S.-owned and -operated plants.) It contains a pledge by Levi Strauss to welcome ACTWU involvement in work redesign efforts even in nonunion plants and to recognize new union locals based on a majority of signed authorization cards.

Restructuring efforts are sweeping Levi Strauss from top to bottom. The industrial relations (IR) department is being dismantled so that IR activities and concerns will be embedded in all phases of the business. Every management position is being posted for open bidding, with strong leadership skills considered among the primary qualifications for retaining or obtaining a job. Design teams, comprised largely of union members, are revising work flows, standards, and shop floor tasks. An hourly-rewards task force has just established a set of compensation principles from which each plant can choose those that best suit its needs. And a joint committee is redesigning national collective bargaining procedures.

For more, contact G.A. Erlenbach, director of industrial relations at Levi Strauss (415-544-7215) or Joan Suarez, ACTWU regional manager and international vice president (314-231-4550). ♦

## Interpreting the Election

Months after the 1994 elections, political actors and observers are still trying to divine the meaning of that watershed event. Incumbents were turned out of office and Republicans won control of both houses of Congress for the first time in 40 years. Members of the 104th Congress are now challenging the conventional wisdom on long-standing social and economic policies and programs. The federal budget, taxes, transportation, and affirmative action are all up for review and reevaluation. Labor and workplace issues are not being spared (see box on page 4).

Politics being what they are, no one can accurately predict what new programs or policies will emerge. And as attendees at the spring meeting of the **Institute of Collective Bargaining (ICB)** heard, no one is sure just what is driving the debate in Congress. Robert Molofsky, legislative director of the Amalgamated Transit Union and a panelist at ICB's Washington event, noted that discussion is usually framed by assertions that voters showed they wanted government to play a smaller role in their lives. But beneath this overlay, Molofsky said, is the unspoken question of affordability. According to Molofsky, legislators are really asking if our society can afford to set and enforce minimum standards, provide subsidies for critical industries and social needs, and support an activist federal government. Molofsky warned that

retreat by the government on such matters would exacerbate friction in the workplace and sidetrack the evolving cooperation between labor and management.

Taking a different tack on the elections, another panelist suggested that voters wanted something more basic than governmental downsizing. T. Roberts Jones, executive vice-president of the National Alliance for Business, said people were expressing their anxieties about deeper issues: personal safety, job security, and transformations in the workplace. Jones asserted that Americans have lost confidence in the ability of the government, and the tools at its

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### Economic Indicator Release Dates

Following is a selected sample of release dates for key economic indicators, accompanied by the responsible agency.

Employment Cost Index	7/25/95	BLS
Major Collective Bargaining Settlements	7/25/95	BLS
Personal Income and Outlays	7/31/95	BEA
Employment Situation	8/04/95	BLS
Productivity and Costs	8/08/95	BLS
Consumer Price Index	8/11/95	BLS
Real Earnings	8/11/95	BLS
Local Area Employment and Unemployment	8/30/95	BLS
Industrial Production and Capacity Utilization	9/15/95	FRB
Corporate Profits	9/29/95	BEA

BLS=Bureau of Labor Statistics  
BEA=Bureau of Economic Affairs  
FRB=Federal Reserve Board

## Sources

*1995 Source Book on Collective Bargaining: Wages, Benefits, and Other Contract Issues.* (Washington, D.C.: The Bureau of National Affairs, Inc., 1995) 164 pages. Paper \$55 (quantity discounts available). Union and company negotiators interested in details about major contract settlements in 1994 and a preview of 1995 bargaining, as well as critical economic data, innovative contract clauses, and relevant legal decisions, will find this publication invaluable. For more information call (800) 452-7773, or fax (202) 822-8092.

Kaufman, Bruce and Morris Kleiner (eds.) *Employee Representation: Alternatives and Future Directions.* (Madison, WI: Industrial Relations Research Association, 1993) 390 pages. Paper \$28. This collection of 11 articles by leading academics in the field of industrial relations raises critical questions about the role of employee representation in the American workplace. Topics such as labor law, representation in nonunion settings, declines in union membership, joint governance, and political action are deftly analyzed and presented in a manner accessible to practitioners.

Kochan, Thomas A. and Paul Osterman. *The Mutual Gains Enterprise: Forging a Winning Partnership Among Labor, Management, and Government.* (Boston, MA: Harvard Business School Press, 1994) 260 pages. Cloth \$27.95. Lots of rhetoric about strategic human resource management has been tossed about during the past decade, with little long-lasting results. Here, the authors explain the features of the new employment relations models and explore the reasons why workplace innovations have not generally spread throughout the economy, with particular attention to the institutional, systemic, and policy roadblocks.

## Uncertainty Surrounding Labor Law Reform

The Dunlop Commission tried — and failed. Now the interested parties aren't even talking and the prospects for meaningful reform of the National Labor Relations Act (NLRA) seem dimmer than ever. "We lost our way in trying to find a deal between labor and management," said Thomas Kochan, a professor at MIT and chief author of the Dunlop Commission report, which was issued in December, 1994. "The parties were not able to compromise their issues and now the relationship is even more polarized."

The source of the tension between the two sides is how to give employees a voice in the workplace. As employee participation spreads to more and more companies, the inevitable question arises of who will speak for employees and what form that representation will take. Many in the management community favor reform of NLRA Sect. 8(a)(2), which prohibits company-dominated labor organizations, in order to grant workers and managers more leeway in deciding how to structure a representation system that suits their circumstances. Leaders of organized labor fear that loosening the reins on Sect.8(a)(2) will open the door to employer-controlled representation and thereby deny employees the independent power that derives from collective bargaining through representatives of their own choosing. "We oppose (such a change) on principle and there will be no compromise," said David Silberman, director of the AFL-CIO's Task Force on Labor Law.

Some business leaders contend that their goals for labor law reform do not include undermining unions. Rather, they are interested in finding a legally acceptable way to give employees in nonunion settings the opportunity to speak for themselves. The problem is, they argue, much of the work

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## Upcoming Events

As part of ILR's fiftieth anniversary celebration beginning in September, the **Institute of Collective Bargaining** will sponsor two special meetings. The first, scheduled for October 20 in New York City, will coincide with the AFL-CIO biennial convention. The **ICB** program will feature discussions on work restructuring (with emphasis on employees' view of these changes), labor and corporate political action committees (PACS), and the 1996 elections.

A May meeting will be held jointly with ILR's Center for Advanced Human Resource Studies (CAHRS). This two-day program in New York City will present panels on topics such as new corporate forms, the impact of technology on work and workers, and the changing employment relationship. One morning will be devoted to a look at the impact of technology and work reorganization on the telecommunications industry.

Call Jackie Dodge, **ICB** administrative assistant at 607-255-6693 for more information. ♦

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disposal, to solve pressing problems in a rapidly changing world. Underlying the debate in Washington, Jones said, is the more substantive and important question of how to reconstruct relationships between people and institutions. But instead of grappling with systemic issues, Jones continued, Congress is "cleaning up" a long list of old programs and processes that have frustrated legislators and citizens.

His prediction: fundamental change will follow the 1996 elections. ♦

**ICB briefing**

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**The GOP Labor Agenda**

The Republican majority on the House Committee on Economic and Educational Opportunities plans a comprehensive look at labor and employment laws, with the goal of making them more flexible, effective, and attuned to the modern workplace.

High on the Republican reform list: the Fair Labor Standards Act, OSHA, Equal Employment Opportunity, and job training. The committee is also working on a "team act," which would legalize employers' right to deal directly with employees on matters of "mutual interest," such as quality, productivity, and efficiency, either in the presence or absence of a union.

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restructuring now occurring in American companies conflicts with existing labor policy. "We would like public policy to support workplace changes," said Jeffrey McGuinness, president of the Labor Policy Association.

Given the principled positions each side has staked out, the push for consensus may have to come from other sources. Kochan said more workplace innovation is needed and debates about the form of those

modifications must move beyond institutional leaders and reach into the grass roots. "The next serious discussion on labor policy will come from the workforce," Kochan predicted.

Kochan, Silberman, and McGuinness made their remarks at an April briefing on Congress's employment and labor-related legislative agenda that was sponsored by the **Institute of Collective Bargaining**. ♦

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