

Education for Change

The reasons for strategic shifts in the workplace are sometimes vague, sometimes suspect, and only rarely accepted without question. When labor and management partners need an objective explanation of why change is necessary and a neutral forum to further the discussion, they can turn to ILR's Institute for Industry Studies (IIS).

The Institute, based in Buffalo, provides customized courses in industry education that begin with an overview of global economic forces and proceed through discussions of competitive factors affecting the country, the industry, the company, the plant, and each employee. The program's intent is to promote more informed and participative decision making by labor and management as they develop and implement strategies designed to enhance plant and/or company viability. "When Institute programs are part of a strategic change effort," says director Lou Jean Fleron, "they can reinforce and accelerate the change."

Researchers at IIS work with clients to assess their educational needs and understand workplace dynamics and company and union strategies. Course content builds from this input but relies heavily on data obtained by IIS associates from independent sources. This two-pronged approach ensures that the finished product is credible and objective and tailored to the client's specifications. Clients include the UAW-Ford National Programs Center, Outokumpu American Brass and USW Local 593, and Niagara Mohawk and IBEW Local 97.

The Institute is eager to upgrade its technological capabilities by offering courses on CD-ROM, which could facilitate delivery in large organizations and speed information updates. But clients have balked, preferring more traditional mechanisms that afford workers and managers an opportunity to discuss their industry's issues in person.

For more information, contact Lou Jean Fleron at ljf8@cornell.edu or (716)852-4191.

Coping with the Politics of Change

As local union leaders and plant managers know all too well, deciding to change work systems and workplace relations is no simple matter. But once that hurdle is jumped, still higher barriers loom in the distance. Just ask the labor-management partners at the Owens Corning fiberglass plant near Delmar, NY. They report that jointly creating and implementing change is a political process that must overcome resistance, concerns about credibility and consistency, and unforeseen outcomes and consequences.

"The prime issue is how to lead change within your own organization," said Michael Russo, president of Glass, Molders, Pottery, Plastics & Allied Workers (GMP) Local 77. Russo and colleagues from the plant shared their redesign experience with other labor-management partners at a late March meeting in Ithaca of the Union-Management Organizational Change Network, which is sponsored by ILR's Programs for Employment and Workplace Systems.

Change efforts typically need a change champion and Russo and plant manager Craig Burroughs played that role at Delmar. They were instrumental in persuading other plant and union leaders of the need to revamp a dysfunctional system. For years Delmar was plagued with almost as many grievances as the number of hourly workers, a safety record that put it dead last in corporate rankings, high worker discontent, frequent changes in union and plant leadership, and poor quality and efficiency. By 1993, management finally agreed it was time to do something different. "We saw the situation was not good longterm for the company or the employees," said Tony Williams, human resource leader at Delmar.

Thus began the slow transition to a high performance workplace. Delmar was the last plant in the Owens Corning family to restructure, and the only plant to do so from the first as a joint enterprise involving managers, union leaders, and shopfloor employees. Other facilities followed a management-driven change model that engendered opposition. "Delmar wanted to avoid strife over the change," Williams said. "We had already lived through it."

Labor and management charted and implemented a strategy that reflected their unique circumstances. They learned as they went along and adjusted the plan whenever obstacles got in the way. One of the first issues the partners dealt with was lack of trust between the parties. To overcome this barrier, they

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embarked on several paths. They created an exploratory team and made joint benchmarking trips to study other plants' experiences. They set up a union-company leadership team that trained together and identified qualities and features that would be important in any new system. To assure the workforce that this initiative would not result in job loss, Local 77 proposed and Owens Corning agreed that no one would be laid off if jobs were eliminated or combined — a pledge that was refined and amplified in subsequent years.

Early on, union and plant leaders realized stability at the top and unity in the ranks were vital to the plan's success. Local management convinced the corporation to leave senior managers in place for longer than was customary. The union worked on building internal solidarity through a "union pride" campaign that, among other things, established new committees and promoted involvement in union affairs among the local's 350 members. The result: stable plant and union leadership for the past seven years.

Well into the process, the partners perceived a gap between the leadership and the shopfloor. A small coterie of managers and union leaders had been pushing the process. By virtue of their activities, they were committed to it and enjoyed a comfort level the rank and file lacked. They decided to close the divide with 40 hours of mandatory training in interpersonal skills. The effort backfired. Workers resented the obligation and resisted the message; some sat with their backs to the trainers and others wore earplugs.

This experience set back the change effort and prompted the part-

Barriers to Change

The following list is a sampling of the barriers to change generated separately by union and management representatives at the Network meeting; they were then shared with all participants.

Union	Management
Int'l not skilled in redesign	Leadership disagrees over team responsibilities
Redesign seen as union busting effort	Fear loss of control with continued accountability
Rules and goals keep changing	Supervisors abdicate responsibility/withhold involvement
Age differences within workforce	Employees don't believe reasons to change
Union structure slows down teams	Believe union not holding up its end
Workers want to know "what's in it for me?"	High cost expectations may exceed reality
Mid-management doesn't buy in	Islands of redesign lead to internal equity problems
Lack of resources to support change	Image problems with corporation (not team players)
Inadequate training, especially for supervisors	Lack respect for union principles
Outsourcing	Mid-management ignores hourly workers who want responsibility
Seniority/mature workforce	
Decisions made without union input	

ners to seek advice from an outside consultant. Communication and two-way dialogue seemed to be the missing link. The High Performance Plant Steering Committee, which had been chartered in 1995, developed a "business case for change" that included details about the overall business environment, competitive factors, productivity, profits, margins, and labor costs. The plant opened its books to the workers (an arrangement that continues to this day), and managers gave crash courses in business education at shift meetings to ensure that everyone would grasp the essentials.

The partners then launched a series of conferences that helped institutionalize communication between plant leaders and shopfloor workers. The point of these sessions was to build a joint vision for the plant and to elicit data that could be used in the work redesign phase. Customers were invited to talk about what they liked and did not like about the product. Employees were asked to flag what they liked and did not like about the manufacturing process. An unintended byproduct of these meetings was excitement about, and involvement in, the restructuring initiative. The conference approach proved so valuable that the partners still rely on it as a forum for sharing information and furthering discussion about the redesign.

Throughout the transition phase, the partners tested ideas and tactics. They set up process improvement teams in areas where job commonalities existed, such as packaging and fibers. They reorganized what had been two competitive manufacturing lines into an area-based system that encompassed like

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operations (e.g., warehousing, hot end, packaging) and relevant maintenance workers. They adopted an "early island strategy" that called for trying out redesign principles in work areas that were relatively autonomous and whose employees would be open to the changes.

Labor and management spent five years laying the groundwork. By 1997, the process had progressed far enough that it was time to restructure plant operations. Contract negotiations were slated for April 1998 and the partners wanted to enter those talks with general agreement on key aspects of the redesign. They formed a joint redesign team, created an implementation plan, and revamped job training procedures. Plans were passed back and forth from committee to shopfloor until consensus emerged. Contract negotiations proceeded smoothly, with 95% of the redesign proposals accepted by the corporation.

So far, the partners seem to have cleared the highest hurdles. Grievances have plummeted; 15 were processed in 1998 compared to more than 300 in 1990. Workers' compensation costs plunged and the noise level has been reduced by one-third. In addition, the plant is aiming to cut production costs by \$.03/pound of fiberglass within three years. When Delmar shut down to rebuild its manufacturing lines this spring, hourly employees were trained in areas such as diversity, safety, job skills, and interpersonal skills; in the past, half would have been laid off. Supervisors have become coordinators and coaches and hourly employees volunteer as subprocess leaders. A new Joint Leadership

Group meets weekly to discuss policies and procedures and distributes minutes to the floor to keep communication flowing above and around whatever barriers remain.

For more information about Delmar, call Michael Russo at (518) 475-3678 or Tony Williams at (518) 475-3606. For information about the organizational change network, contact Shannon Armstrong at (607) 255-2125 or sla5@cornell.edu. ♦

Unions Struggle to Help Workers

In case anyone has forgotten why workers join unions, Linda Chavez-Thompson, executive vice-president of the AFL-CIO, supplied a few good reasons when she visited ILR in March. As the ninth Alice B. Grant Labor Leader in Residence, she reminded a friendly audience of students and faculty that unions give workers a voice in politics and the workplace, help raise the standard of living, and create opportunities for current and future generations.

"Unions do make a difference," she said, adding that in the presence of unions, fulltime employees enjoy a 32% wage premium as well as pensions and health insurance. Ms. Chavez-Thompson noted the 74,000 home-care workers in Los Angeles who recently voted to join the SEIU and their goal of securing a pay raise, benefits, and training. She recapped a string of victories that have brought 15,000 hotel and construction workers in Las Vegas, 30,000 state employees in Maryland, and 9,000 Head Start teachers in Houston into the union movement.

Although the economy is strong, Ms. Chavez-Thompson said, many people hold two or three jobs just to get by. She castigated corporate managers for their seeming indifference to employees' welfare when they downsize and subcontract, and chop jobs into temporary and part-time positions to save on benefits. She also pointed out that workers' real income dropped for many years even as productivity was rising. "Something is wrong when you can't promise your children a better tomorrow," she said.

Ms. Chavez-Thompson denounced the anti-union tactics used by many employers. "Right now in America there's a war on against the rights of working women and men," she said. The labor leader cited statistics generated by Kate Bronfenbrenner, director of labor education research for ILR Extension, which show that 91% of employers hold mandatory closed-door meetings where they present an anti-union message, 80% hire union-busting firms, and 50% threaten job loss if workers vote for the union. Despite laws that protect workers' right to join unions, Ms. Chavez-Thompson expressed concern about lax enforcement and said the labor movement will raise this matter in its dealings with Congress.

In the end, she tried to sound upbeat. Ms. Chavez-Thompson said the AFL-CIO encourages member unions to work cooperatively with employers to improve company viability and employee gains. She said the federation and its affiliates are forging stronger ties with civil rights and human rights groups and with foreign unions to ensure that employers in developing countries at least abide by the environmental and labor laws already on the books. ♦

New Labor Courses at ILR

Greater student interest in union careers and the labor movement has prompted ILR to expand its union-oriented curriculum. This change will benefit undergraduate and graduate students, and hopefully attract union activists to the MILR program.

Traditionally, ILR has offered courses in trade union administration and current trade union developments, and a half-semester course on union organizing. The first two will be continued and the latter will become a full semester offering. There is also a revived course in contract administration and a course on trade union revitalization with an international/comparative twist. A new course will teach research methods and information sources in connection with a real-world project for a union or an agency involved with labor policy. Next fall, ILR will offer a contract simulation course where students will spend the semester engaged

in a mock negotiation modeled on a contract that already exists. Practitioners will also be invited to teach on a more regular basis.

"The decision rule I use with these courses," said Harry Katz, chair of the Collective Bargaining, Labor Law, and Labor History department, "is whether they are of interest to students who want to work for unions as well as to others who are future lawyers and executives. This being a university, we also want them to retain a research and academic focus." ♦

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Earn an MPS at ILR

Beginning next January, people working in fields associated with labor and industrial relations will have an opportunity to earn a Master of Professional Studies (MPS) in New York City. The MPS curriculum will stress theory, history, and practice in the study of organizational behavior, labor economics, human resource management, collective bargaining, and public policy; an intensive two-week course in research methods will be given in Ithaca during the summer. Classes will meet on Saturdays and students will complete 30 credit hours of course work, including a research project, over two years.

For more information, contact the MPS office through e-mail at mpsnyc@cornell.edu or by phone at (212)340-2886. ♦

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