

Achieving a new equilibrium? The stability of cooperative employer–union relationships¹

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ABSTRACT

The current popularity of ‘partnership’ in workplace industrial relations raises the question of the durability of such arrangements. This article investigates the stability of cooperative employer–union relationships by means of case studies. It analyses perceptions of the experience of negotiation and consultation. Continuing net benefits are reported both by managers and by union representatives in workplaces where cooperative relationships are robust. The benefits come primarily from the informal consultative processes and levels of trust that are engendered. Nonetheless, parties to the relationship, however robust they were, faced substantial challenges to their efforts to diffuse and sustain cooperative working. It is concluded that cooperative relationships are likely to be stable where employers wish to maintain an independent employee voice, especially where workplace union density remains relatively high.

INTRODUCTION

An important feature of recent British industrial relations has been the increasing number of organisations and workplaces that have, since the mid-1990s, reconstituted their employer–trade union relationships around the notion of ‘partnership’, or cooperative working. Central to this is a shift of emphasis from negotiation to consultation. Underlying it has been a substantial tightening of competitiveness in sectors where once collective bargaining was robust. Privatisation and increased international exposure are among the forces that have led to a diminution of trade union power and to the rising interest in cooperative working between employers and unions.

The question this article addresses is whether these emerging relationships have the potential to be stable in the longer run. It does this by exploring, through case studies, the nature of negotiation and consultation in cooperative working, and the broader representative role of the union. Collective bargaining has undergone a number of

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changes in Britain over the past century, with phases of relative stability lasting a decade or so (Brown and Oxenbridge, forthcoming 2004). Our central question is whether the current emphasis on cooperative relationships might indicate a new equilibrium, or whether it is merely a ‘last gasp’ in a supposed terminal decline of British collective bargaining.

Partnership arrangements vary greatly, perhaps unsurprisingly given the essentially non-statutory nature of British industrial relations. Commentators have explored this diversity by identifying distinctive types of relationship. Distinctions have been drawn between formal and informal partnerships (Oxenbridge and Brown, 2002; Bryson, 2003: 23), and between *de jure* and *de facto* partnerships (Ackers *et al.*, forthcoming 2004). Distinctions have been drawn between partnerships according to the underlying management strategy: whether it is intended to build a strong partnership to assist in change management, or to sponsor weak unions, or to bypass unions altogether through alternative channels for participation (Ackers *et al.*, forthcoming 2004). It has been noted that service sector employers have tended towards relationships that seek to ‘contain’ unions by giving them minimal or reduced rights, whereas in the manufacturing sector employers have been more nurturing of unions, with relationships characterised by negotiating rights over pay and conditions, high union density, and active workplace representatives (Oxenbridge and Brown, 2002). A further distinction is drawn by Samuel (2001) who differentiated between ‘defensive’ partnerships occurring against a background of crisis, and ‘offensive’ partnerships reflecting a consensual approach to modernisation.

Indeed, rather like the term ‘productivity agreements’ 40 years earlier, the term ‘partnership’ has today become too diffuse to carry much meaning. Meretriciously used by some employers to constrain union influence, and touted by government as an instrument of economic policy, it has become too tainted for use among many trade unionists, even if they appear to practise partnership behaviours. In what follows we shall use the term ‘cooperative employer/union relationships’ to apply to what lies at the heart of the TUC’s notion of partnership. That is, an essentially cooperative or positive-sum relationship in which the parties generally seek to avoid confrontational and zero-sum bargaining.

Central to these relationships is a shift to greater consultation with employees. In deconstructing the TUC’s six principles of partnership, Terry (2003a: 464) argues that partnership is based on consultation, a notion that, in UK usage, ‘recognises the ultimate right of unilateral management action’. Likewise, Ackers *et al.* (forthcoming 2004) state that the price for unions of partnership is to eschew adversarial bargaining for consultation. Ackers *et al.* (forthcoming 2004) and Samuel (2001) observe that partnership brings with it an emphasis on, first, the extension of consultative machinery, and second, early involvement of workplace representatives in decision making. This focus on increased consultation may also play out in terms of extended union influence over managerial decision making, and in a broadening of the areas of union input, particularly around managing change (Samuel, 2001; Terry, 2003a; Wills, 2004).

What does this mean for union influence? The definition of collective workplace influence that is offered by Terry (2003b: 488) has three necessary elements: a shared grievance; a mechanism for collective mobilisation; and the probability that collective action will lead to positive resolution. While accepting this, for the present purposes we offer an additional view of influence that focuses on the absence or presence of effective trade union involvement in decision making. Considering influence in terms of procedures rather than power is more appropriate to the reality of contemporary

cooperative relationships. We start with an account of our research method. After examining the changing nature of negotiation and consultation, and of less formal interactions within partnership and cooperative relationships, we assess the implications for the longer term.

RESEARCH METHOD

The research, conducted throughout 2001 and 2002, involved case studies of nine firms—four of which had been studied in an earlier ESRC-funded study (Oxenbridge *et al.*, 2003), and five new—suggested to us by trade unions and officials of the Advisory, Conciliation and Arbitration Service (ACAS). Cases were selected to represent three broad categories of relationship. Three were formal partnerships with explicit agreements; three were informal partnerships where the term was widely used but without any formalities; and three were cooperative relationships that were not described by the parties as partnerships. Four of the cases came from services: retail, insurance, office equipment servicing, and outsourcing. Four were from manufacturing industries: light engineering, heavy engineering, food processing, and printing. The last was in rail transport. In the five cases where multiple unions had recognition, interviews were conducted with representatives of the main union that had a cooperative relationship with management.

Interviews were held with the principal managers involved, the relevant full-time trade union officials, one or more leading workplace union representatives, and in several cases, a union member who was not a union activist. The only exception was one case where the manager would not permit an interview with trade union representatives. The prime concern was to obtain different perspectives on the cooperative relationship from within both management and the union, and to assess the impact of the relationship at the workplace level. In total, 47 interviews were conducted with 52 individuals. Most interviews ranged in length from one-and-a-half to two hours, and all were taped. In three cases, where agreements were being negotiated during the research process, the researchers also attended management and union meetings over a two-year period, and analysed relevant documents.

Two distinct types of cooperative relationship, categorised as ‘robust’ and ‘shallow’, came out of our analysis of case study data (Oxenbridge and Brown, forthcoming 2004). In what follows we use this as the basis for exploring the key features of the cases. Within each of these two categories lay both formal and informal arrangements. ‘Robust’ relationships confer a range of benefits to both parties. Within the six cases in this grouping, union density ranged from 40 to 90 per cent at the time of interviews, and had traditionally been high in the past. In these firms, unions collectively bargained pay, and workplace union representatives had a strong, legitimate position in the organisation and extensive input into decision making. All the employers actively supported trade union recruitment, providing recruitment access at new employee inductions. The scope of recognition rights was fairly consistent across ‘robust’ cases, with unions having rights of negotiation over pay and non-pay terms and conditions, and consultation rights over other elements.

The ‘shallow’ category provided substantially fewer benefits for the union. These relationships were essentially shallow-rooted in terms of their formation, their substance, and their potential lifespan. The three cases had low union density, of between 6 and 30 per cent. Managers prevented unions from extending their influence by

placing restrictions on union recruitment activity, or by allowing them only limited involvement in workplace affairs. In two cases, unions had recognition agreements allowing only consultation rights over any issues, and in the third case, recognition rights (including negotiation over pay, terms and conditions) varied across individual business units, according to transfers under TUPE regulations.

PAY NEGOTIATION UNDER COOPERATIVE RELATIONSHIPS

How far does negotiation, in the sense of an activity in which management is constrained by the formal exercise of trade union power, continue under cooperative relationships? We chose to examine this by asking about the setting of pay. The scope of non-pay negotiation in the past differed considerably between the sectors in which our case studies were situated, but for all of them pay negotiation has traditionally been the key area of collective bargaining. It thus offered the best test. At the same time, taking Britain as a whole, it is clear from the WERS surveys that, even where trade unions retain recognition, there has been a widespread loss of union influence over pay-setting over the course of the past two decades (Brown *et al.*, 2000). How far is this reflected in cooperative relationships?

Certainly, there was some evidence of change. In five cases, both ‘shallow’ and ‘robust’, the terminology managers used to describe pay setting had shifted in recent years, from negotiation to consultation.² Managers in three of these sought or effected a shift in terminology from negotiation to consultation, without a commensurate shift in behaviour. In a fourth ‘robust’ case, managers endeavoured unsuccessfully to effect a change in both terminology and behaviour from negotiation to consultation over pay. This was successfully opposed by the union. In a final ‘shallow’ case where unions had no previous negotiation rights, a new partnership agreement was negotiated to head off statutory recognition attempts, and this included rights of consultation over pay.

In most cases the change in terminology had taken place to appease more senior managers, who felt that the word negotiation implied traditional ‘conflict model’ employment relations practices. But despite the growing use of the term ‘consultation’, it was clear that negotiation took place in practice in all but one of these five, and indeed, in all but one of our nine cases. As a consequence, union interviewees were not bothered by this change in terminology. It was what occurred in practice that was important to them, and it was the degree to which membership power was exercised that defined union influence in the process of determining pay, terms and conditions. The attempted or successful re-labelling of the process as ‘consultation’ did not provide an accurate indicator of the extent of change in union power. The parties simply used different terms to describe the same collective bargaining process.

But it was clear that although classic pay negotiations took place in eight of the nine cases, all management interviewees—and union interviewees in all but three

² In two cases (finance and retail) where unions traditionally had negotiation rights, managers sought or negotiated new partnership agreements in which they now had consultation rights only. In two other cases (office equipment and print media), where unions had no previous negotiation rights, new partnership agreements were negotiated which contained rights of consultation over pay. In a final case (light engineering), the union had long-standing negotiation rights, but the manufacturing director referred to them as consultation rights in his dealings with the senior steward.

'robust' cases—described how the union had little or no influence over the overall level of annual percentage pay increase set. Instead, the amount of increase was handed down by the company's head office, or set in annual budgets. An HR manager in a 'robust' case described this process:

The unions have very very little, if any, influence on how much money we put into the pay review, frankly. . . . They may sometimes be able to poke and prod a little bit in terms of the shape of the package, but to be honest, if we decide as a business that we're going to pay 5 per cent (budget), then we're going to pay 5 per cent. . . . Also I think the union recognises that businesses do have a budget, that businesses do only have so much money to pay. And if they twist something in one area, you're going to pull it back somewhere else.

On the other side, the following quote from a steward in another 'robust' case conveys her disillusionment with negotiation processes in which the union has little influence over the outcome:

Because it's a national company I think the management team know what they're going to offer us and they can't budge from that. So that's a bit of a downer because say there's one (factory) up in London and they're getting the same as us, or one in Northern Ireland, they're getting the same as us. So why negotiate locally? So what's the point in sitting down talking?

In some cases managers and stewards described the union as having, as one put it, 'a little influence around the edges', and in the majority of cases, they had discretion over how the amount of percentage increase was divided up or reapportioned. In general, however, it seems that it is common—in both 'robust' and 'shallow' relationships—for pay decisions to be taken by managers as part of the business planning process, and for negotiations to serve a largely symbolic purpose. For unions to have real influence over pay increases, they would need influence at strategic levels during corporate planning processes.

Despite some frustration on the part of both managers and trade union interviewees with the continued use of traditional negotiation practices, in most cases, pay bargaining processes were felt by both sides to have improved in recent years, with bargaining now taking less time than in the past. Indeed, interviewees pointed to shortened pay negotiation processes as a measure of how their overall relationships had substantially improved. Trade union officials and managers in several 'robust' cases reported how, because the scope and frequency of consultation had increased, incremental changes to terms and conditions were made throughout the year, leading to shorter pay negotiation processes. And in several cases, pay claims were also shorter in length than before. Interviewees in many cases reported less 'game playing' than in the past, describing the process as more 'open', involving more information-sharing on both sides. One manager described this shift:

We went into the last negotiations with a sense of a bigger picture. It wasn't a fixed battle which was solely about either side extracting what it could from the other side, and not seeing them again for another year—we knew we'd be working together. . . . There's a lot more openness in the relationship, and I think that is based around ongoing communication and consultation throughout the course of the year, as opposed to this one set-piece where we met.

By contrast, rank-and-file union members, in several cases, had a different perspective, and favoured a more traditional approach. They believed that the workforce should always reject management's first offer. In their view, lengthy, protracted negotiation processes provided evidence of the union effectively wielding power and representing their interests, and led to more favourable pay settlements. Indeed, union members in four cases (three 'robust' and one 'shallow') had recently rejected initial pay offers during successive pay rounds. Some did this consistently, every pay round.

Thus in several of the more ‘robust’ cases, stewards described how they were often required to ‘sell’ pay deals to workers. And in contrast with the majority view that unions had little influence over pay settlements, trade union officials and members in these cases pointed to membership rejection of offers as proof of significant union influence over annual pay increases.

This presents a paradox. If almost all interviewees acknowledged that unions had little influence over annual percentage pay outcomes, then why do they continue to engage in pay negotiations? We can only conclude that for unions, pay negotiations have in part a totemic significance. Despite management attempts to shift relationships towards consultation—either in name, or in practice—unions continue to bargain over pay, because it provides visible proof to members that the union is an independent organisation, able to advocate their interests effectively. For members this remained the arena in which the union showed its strength in dealings with management. Negotiations provide visible evidence of independent union representation. In contrast, consultation processes—particularly those involving confidential information—may be all but invisible to members.

To place this in context, we should bear in mind that the period in question has been one of historically low inflation—with median private sector annual pay settlements between 1997 and 2002, as measured by the CBI, averaging 3.3 per cent for services and 3.0 for manufacturing.³ But however much bargaining behaviour might be muted by the low level of prevailing settlements, it remains the case that, while pay negotiations generally continue, if by a different name, they do so under substantially greater employer constraint than would have been the case two or more decades earlier.

CONSULTATION UNDER COOPERATIVE ARRANGEMENTS

There is a general agreement among observers that consultation is a pivotal partnership practice. But how much influence do unions exercise? And through what sort of structures is their influence, if any, effected? Perceptions of union influence in management decision-making processes—in terms of both the breadth and depth of influence—varied substantially both between and within cases. In the main, interviewees felt that the union had little influence over company-level decisions, as this was the preserve of parent group-level managers in many cases. In some companies the perceived degree of workplace-level influence varied between individual stewards and business units, and was often a function of the strength of individual relationships between stewards and managers.

Perhaps the most important partnership ‘behaviour’ pinpointed by trade union interviewees was that of ‘early’ union involvement in planning and consultation, particularly concerning change initiatives. The measure of a ‘robust’ partnership, according to union interviewees, lay in the capacity of union representatives to contribute concepts or ideas at the earliest practical stage in the decision-making process. It lay in union involvement in the *design* of strategies, rather than just the modification or implementation of ready-made management decisions.

This ideal was far from being achieved. Around one-fifth of all union interviewees, from five ‘shallow’ and ‘robust’ cases, expressed dissatisfaction that managers did not

³ CBI Pay Databank, *Time Series and Performance Indicators, 2002–03*, London: CBI.

involve the union in consultation at an earlier stage. This group included the union members interviewed in primarily 'robust' cases who felt that they had either little or no influence over workplace-level decisions, and that their union had little influence in decision making more widely. In contrast, most full-time officers and senior stewards in 'robust' cases felt they had considerable influence over mainly workplace or operational-level decisions at an early stage.

Those in 'shallow' relationships had little scope for early decision-making influence. This arose from three factors. First, managers actively constrained union involvement. Union influence appeared to be confined to consultation over pay and conditions, with employers reluctant to extend union influence to other areas of activity. Second, low membership levels meant that the union had little clout within the relationship more generally. Third, many substantive decisions were handed down by parent group headquarters or national-level senior managers, leaving local managers and trade union representatives with little scope for influencing or modifying decisions.

What of the procedural aspects of consultation? There was a great deal of uniformity in both the existing formal consultation processes used in the case study organisations and the future plans for change.⁴ In all but one case, the main consultative group or committee was composed wholly of trade union employee representatives (stewards, full-time officers, or both) who met with HR staff and, in most cases, senior managers. And in all but one case, this group was used both for purposes of consultation and also for negotiating changes to pay, terms and conditions.⁵

It is an indication of the salience of consultation that every one of the case study organisations either had established new consultative structures in recent years or was developing plans to establish new structures in the near future. Four influences lay behind this innovation. First, there was the influence of continental European practice where UK sites were owned by overseas-based parent companies. In two cases, managers described plans to establish national-level UK works councils to provide consistency with consultative structures in other European countries where their companies operated. A second influence was EU legislation, with national works councils intended to provide a conduit for the election of UK representatives to the companies' existing, or planned, European Works Councils. In three cases there was specific concern to comply with the forthcoming EU Information and Consultation Directive. The third influence was pressure to align consultative structures with organisational structures where companies had undergone expansion or reconfiguration; this was evident in four cases. The fourth influence, reported in five cases, was a desire on the part of managers to consult non-union employees through formalised, permanent representative bodies.

The five last cases either had union density of below 50 per cent or had recently established new company divisions. In these cases, managers were planning, or had set in place, mixed consultative structures of trade union and non-union representatives. Of the four cases where new structures were envisaged, in three cases managers planned new bodies that would run alongside the existing, principal consultative

⁴ The focus of this analysis was the main consultative vehicle that dealt with the greatest range of issues, rather than single-issue bodies (such as health and safety committees).

⁵ The exception in both instances was the print media firm, whose committee was composed of elected union members and nominated non-union employee representatives, the latter determined on a pro rata basis by union membership levels in workplace sections. Representatives had rights of consultation only, over non-pay terms and conditions.

group. In the fourth case, an existing union-only structure was to be replaced with a mixed structure, which again would run alongside the main consultative body.

Such strategies of extending decision-making involvement to non-union employees might be seen as evidence of employer strategies of union containment. However, union officials in most of these cases believed that, rather than representing a strategy for diluting union power, employer initiatives of this nature were driven by a genuine management desire to improve ‘voice’ mechanisms for non-union employees, and to ensure compliance with the forthcoming EU Information and Consultation Directive. Some union officials agreed with their management counterparts that it was important to establish structures to gauge the views of all employees. Another official, in a case where union density stood at 30 per cent, described his resignation at management proposals to establish a mixed structure:

I guess it's inevitable. And I don't see any way we'll get around it. And what we've done elsewhere is just accept that there will be people who are not union members, and it's up to us to show them that we're more professional, and try and pull them in that way. . . . And it's not a happy position but it would be frankly a nonsense for (the company) to set something up that represents 30 per cent of the company and ignores the other 70 per cent.

Many officials optimistically envisaged potential benefits and opportunities stemming from the new tier of mixed consultative mechanisms. These related to the greater amount of consultation that would now take place, and the fact that a far greater number of representatives (potentially union activists) would gain access to senior managers. Officers also saw opportunities for ‘stacking’ mixed committees with union candidates and then using the committees as the basis for extending union influence by recruiting unorganised groups.

This optimism was tempered with some concerns. Union officials were apprehensive that non-union employees might now decide that there was no value in becoming a union member because non-union representatives could represent their views. Stewards in turn were anxious that non-union representatives would have no experience of seeking out and representing the views of constituents, and would instead put forward their own views on matters. Moreover, non-union representatives might lack external support for their role equivalent to the backup provided for union representatives by full-time officers and the wider union organisation.

Spheres of influence were another matter for concern, with officials stressing the need to clarify the scope of representation of the new mixed committees *vis-à-vis* union recognition rights. One official emphasised the importance of both parties understanding ‘. . . where the consultative councils’ roles finish and where that of the trade union starts’. He added, ‘If consultative forums have issues which are negotiable, then they should then pass them over to the union to negotiate.’

EVERYDAY REPRESENTATION UNDER COOPERATIVE RELATIONSHIPS

The relationship portrayed thus far is characterised by formal negotiations that are heavily constrained, if admitted at all, but more substantial formal consultative rights. For the ‘robust’ cases it is a far cry from the intensity and broad scope of bargaining of a generation earlier. But this is not the whole picture. Set-piece negotiations and formal consultation meetings are far from the totality of the relationship between employers and unions. They have never been more than the visible tip of the collective bargaining iceberg. At least as important are the everyday interactions between

managers and union representatives, at whatever level, that permit potential problems to be averted and that allow expectations and attitudes to be influenced on both sides. It was these less-structured aspects of the relationship that were picked up when we asked about the perceived benefits of cooperation. And there turned out to be a surprising degree of consistency in responses, both within and across cases, with managers and union interviewees citing many of the same benefits. We examine, first, the perceived gains to the relationship for trade unions and their members, followed by those for employers, and lastly, those advantages felt to accrue to both parties.

It was the procedural facility for closer interaction with management that trade union people valued most from cooperative relationships. The gains cited by the greatest number of trade union interviewees were those of increased contact between union representatives and the company, greater union access to senior managers, and greater union decision-making involvement and influence than in the past. Union interviewees in several 'robust' cases, for example, described how cooperative relationships had brought influence over a broader range of workplace issues, which now extended beyond the traditional ambit of pay, terms and conditions.

There were also organisational gains. Both management and union interviewees cited greater company support for trade union recruitment and representation functions. Several recently negotiated 'robust' partnership agreements, for instance, contained explicit statements of company support for union representatives, and further bolstered their position in the organisation through enhanced training and facilities' rights. Indeed, interviewees in nearly all 'robust' relationships stated that a major outcome was that the role of the workplace representative was strengthened within the organisation. The position of union representatives was better safeguarded, and this greater sense of legitimacy enabled representatives to voice membership concerns without fear of sanctions.

For most there were also perceived substantive benefits. In almost all 'robust' cases, managers and union interviewees reported enhanced stability in their relationships, and the improvement in the quality of work-life, and job security as key benefits for union members. Indeed, two 'robust' (manufacturing) cases had formed partnership relationships (in one case with ACAS's assistance) specifically to ensure job security in the face of threats of production being relocated offshore.

Did union members think that the relationship had engendered a more positive work experience? Stewards and members in a subsample of 'robust' and 'shallow' cases were asked this directly. Their views were mixed but broadly favourable. They felt that the working environment was positive because there was less conflict than in other workplaces; because managers and union representatives 'were talking'; and (most commonly) because the relationship had resulted in improved terms, conditions and wage increases. However, unionised employees in two cases (outsourcing and retail) stated that there had been no change in the quality of their work experience as a result of partnership. In one case, this was because they had seen no evidence of partnership at the workplace level; in the other it was because the quality of the work experience was a function of the management style practised by individual managers, and this varied throughout the company.

For the employer, union facilitation of workplace change was seen as a gain from cooperation in most of the cases (as in Oxenbridge and Brown, 2002). This was volunteered by both union and management interviewees. When asked directly, all interviewees agreed that unions facilitated change-management processes in their organisations. Unions played a crucial role in restructuring processes, assisting

employers in managing redundancy programmes or integration processes following merger or acquisition activity (see also Bryson, 2003), or in introducing new strategies for improving efficiency or quality of service. Unions in retail and manufacturing cases, for example, had significant involvement in managing change around improved workforce flexibility. One union official in the retail case stated:

What (the employer–union relationship) enables (the company) to do is change. . . . Business change can happen rapidly with very little inconvenience to staff, with very little disruption to the business. . . . There's a number of the changes that (the company) put in that's enabled them to capture an area of the market. . . . And that's because they were able to change strategy mid-way through, really effectively, really quickly. Otherwise they're left trying to deal with all the employee relations issues that fall from that.

This facilitation role of the union was not without difficulties for employers. Several managers noted that unions slowed change processes. Likewise, both union and management interviewees in most cases gave examples of management proposals for change that had met with union resistance, most commonly around changing working hours and shift patterns. Despite this, most managers and union interviewees in 'robust' cases answered in the affirmative when asked whether the employer–trade union relationship had a positive impact on competitiveness, efficiency and productivity. While they were unable to quote specific performance figures as evidence of this, they believed that the positive impact related primarily to joint working around change. Particular outcomes of cooperative working commonly cited were: programmes of workplace restructuring and job redesign; changes to terms and conditions; implementation of new policies; and responding to new legislation. However, managers in several such cases also highlighted limitations on the extent to which union and membership involvement impacted positively on performance. In their view, the union lacked the requisite staff or time to play a sufficiently involved role in change processes, and union staff and representatives lacked the business knowledge or expertise needed to generate ideas or contribute effectively to decision-making processes (as also described in Terry, 2003a). But in some 'robust' cases, the parties endeavoured to bridge this skills gap by conducting training for stewards aimed at improving their understanding of financial and business information.

The 'damage limitation' function of the union was another commonly perceived benefit of cooperation. Managers in two 'robust' cases described the union's role as a 'brake' or 'check and balance' on managerial prerogative. In describing the latter, one manager explained:

. . . A lot of the things that management would do, if there weren't a union, would be wrong . . . a lot of managers think they should be able to do what they want to do. And you shouldn't have that right. . . . So the fact that the union are there . . . acts as a real block to gung ho managers. And I'm all in favour of that. Because I don't want gung ho managers, but I can't get rid of them, so I just have to have the union acting to keep those managers in check.

Managers in three other 'robust' cases similarly described how unions acted as a 'conscience', or a sounding board for management, particularly in the context of managing change. They valued union representatives' candid and critical views. Managers and union officials in the retail case, for example, described the value of union representatives challenging managers on their views, thus forcing them to question and justify their position on issues. Other benefits for employers cited by both parties included early consultation with the union, which prevented managers from instituting changes that had the potential to harm workplace morale. Union representatives in retail and finance cases described how the union, through conveying feedback to

management, provided an 'early warning system'. Examples were given of union representatives having alerted managers to employee discontent over issues, and to declining morale; to cases where management initiatives were failing; or to cases where management proposals were flawed, and thus unlikely to meet with workforce acceptance (as in Bryson, 2003: 21, 24). And there was a political angle to do with external 'image'. Both union and management interviewees mentioned the benefit of union assistance in raising the company's public profile and bringing political gains from local and central government.

The importance of cooperative relationships in building their trust relationship was reported widely by both sides. Managers and union interviewees in most cases stated, unprompted, that their relationship had become more open and honest, in terms of each side sharing information, plans and problems to a greater degree. Moreover, because they had developed closer relationships, with greater trust, problems that arose were now resolved quickly, through informal dealings, at an early stage.⁶ In three 'robust' cases, union and management representatives worked together over an 18-month or two-year period to develop new partnerships, or to renegotiate existing partnerships or other-named agreements. Relationships in these cases reached a new level of trust because the parties acquired a greater understanding of each other's organisation over the course of the negotiation process. Union officials gained an insight into business and financial pressures. Meanwhile, managers, having previously regarded some aspects of union organisation as something of a mystery, gained an understanding of trade union values and democratic processes.

UNDERLYING TENSIONS

Cooperative and partnership relationships invariably presented the parties with challenges and difficulties. A general sense was gained—across both 'robust' and 'shallow' cases—of management irritation or resistance towards what they perceived as an outdated 'conflict model' of industrial relations. Managers expressed frustration with practices associated with traditional collective bargaining that served to prolong pay negotiation processes with protracted negotiations. Many were particularly impatient with what they felt were unnecessary, bureaucratic, union democratic processes. They expressed frustration that union officials could not exercise the same discretion as managers by being able to make decisions quickly without recourse to others. There was a general lack of acceptance or understanding that trade unions are fundamentally different organisations from businesses. They were, for example, irritated by union pay claims that included items that seemed inappropriate to the company but were inserted as matters of national union policy.

Further, managers in four cases failed to understand why union members needed to vote on pay deals and expressed frustration with the balloting process. They felt that union officers and stewards should be able to sign off a pay deal on behalf of the members, or should 'sell' management pay offers to members, regardless of whether or not they felt it represented a good deal. One union official summed up this view:

We drive (management) crazy with our processes and our structures and our mechanisms. And they struggle with that horribly. And if they could conclude a pay deal and a contractual variation for (the

⁶ These perceived benefits are discussed in greater detail in Oxenbridge and Brown (forthcoming 2004).

workforce) with a phone call to the General Secretary one afternoon in June, they would love that. . . . And so anything that smacks of delay or contrariness or challenge, even in the best sense . . . having to wait for someone else to say ‘Yes’ drives them potty.

A second challenge facing both parties related to the uneven diffusion of partnership working among internal stakeholders. In all cases, senior-level managers, union officers and/or stewards had together developed and promoted the cooperative relationship. However, in most cases there was a lack of commitment to cooperative working among other managers: either beyond British borders at parent company level, or at workplace, middle or local management levels. It is thus unsurprising that stewards in ‘shallow’ cases reported that partnership ‘just didn’t feature at all’ for members at the workplace level. Both long-standing and newly recruited managers may resist cooperative working and thus jeopardise relationships. Long-standing managers may be acculturated in a confrontational or unilateral management tradition that dominated prior to cooperative relations, while newly recruited managers may have no experience of working with unions and so may also practise a unilateral management style.⁷

Managers across all six ‘robust’ cases used a variety of methods aimed at diffusing cooperative working throughout the organisation. In three cases, senior or HR managers ‘engineered out’ managers whose style jarred against the culture they were trying to create, replacing them with managers whose style was aligned with partnership working. In a fourth case, the company provided coaching, training, or even pursued disciplinary action against unresponsive managers. In two other cases, trade union interviewees were confident that recently negotiated partnership agreements would compel workplace managers to engage in partnership working and to value the role of worker representatives. A steward in one such case noted that where managers do not comply with the agreement, stewards can draw their attention to the management responsibilities set down in the agreement. If managers refuse to comply, stewards may treat the matter as a dispute.

A related challenge was that of sustaining the relationship beyond the personal level. In several ‘robust’ cases, the development of cooperative working—and often the degree of union influence within the relationship—was clearly predicated on the values of key individuals steering the relationship on both sides, and on the trust that had developed between them over time. Thus interviewees expressed concerns that the relationship might collapse once they or other individuals moved on. They were concerned that new appointees might not be attuned to working cooperatively, and examples were given of employee trust breaking down quickly due to the actions of new managers.

In most ‘robust’ cases, measures were taken to ensure the relationship’s longevity. These included managers operating a protégé system, or recruiting managers who shared similar values. They also included the negotiation of explicit agreements aimed at instilling cooperative behaviours within a partnership ‘culture’, and the staged turnover of membership of union committees, so that expertise is not lost *en masse*.

Particularly common was the tension arising because cooperative relations can lead stewards to feel isolated from members. In most of our cases, managers discussed commercially sensitive information with stewards. This enhanced stewards’ under-

⁷ Interestingly, in several cases relations between managers, union representatives and members were amicable because many managers were members of the same union that represented the majority of shop floor workers.

standing of the reasoning behind management proposals, and in some instances led them to develop more moderate positions on issues that diverged from those of their members. Difficulties arose when stewards were unable to justify their adopted position to members, precisely because it was informed by confidential information. This led some members to become dissatisfied and express views that stewards should reflect membership opinion by, for example, demanding greater pay increases, or protesting against management proposals. Moreover, because stewards were unable to relay information to members about consultation processes conducted 'behind closed doors', they could not prove to them that they had had any influence during the processes. Some members in turn became suspicious that stewards had 'sold out' to management.⁸

Stewards described how, in order to obviate such difficulties, they expended considerable effort gathering and conveying to management the majority membership view on issues. Nonetheless, there was no easy solution to the problems they faced in attempting to balance membership views with their understanding of issues gained from exposure to strategic information.

CONCLUSION

What does this discussion of cooperative relationships between employers and unions tell us about their longer-term stability? There have long been particular industrial relations situations characterised by cooperation, but the widespread and self-conscious adoption of the formal and informal procedures associated with partnership and other cooperative relationships is relatively recent. Although one of our cases successfully negotiated a second long-term partnership agreement renewal during our study, most have not yet been tested by time. Much of the academic analysis of partnership has concentrated not on its stability, but on whether, from the trade union point of view, it constitutes a net loss, incurred by trading off negotiation rights for consultation rights, and more widely symbolic of the weakening of union power (Terry, 2003a: 468). At one level this net loss is undeniable. Weaker unions can win less for their members than when they were stronger. It would be absurd to expect, for example, a trade union in a privatised utility to be able to gain as much for its members as it once did when that utility was a state-owned monopoly. But that misses the point, which is that most unions, faced with developing cooperative relationships, were not given an option of retaining, or winning, strong bargaining positions. The alternative to a cooperative relationship was, for most, either incrementally diminished influence, effective derecognition, or continuing poor industrial relations, which might in time undermine the enterprise in question. Given the realities of contemporary power relationships, it is wholly misleading to pose robust, traditional negotiation as a viable hypothetical alternative for most contemporary cooperative relationships.

This study has suggested that negotiations in cooperative relationships, if they occur at all, are highly constrained, and are often denied as such by the employer. It has confirmed the centrality of consultative procedures, and has suggested that those involved consider benefits to come from these. But perhaps most significant is the evidence that the procedural support offered by cooperative relationships is of

⁸ This issue is discussed in detail in Oxenbridge and Brown (2004).

considerable importance to trade unions in the day-to-day work of representing their members. Unions may have lost the capacity to coerce management, but cooperative relationships offer them, at least, the consolation of increased access to management and the opportunity to build an influence, on behalf of their members, that is based on trust.

Our cases suggest that both sides perceive continuing net benefits arising from ‘robust’ cooperative relationships. They value the improved information and reduced uncertainty associated with the higher level of trust between employers and unions. This could indicate that such relationships might endure and become relatively stable. If so, it has implications for the effect of statutory provisions arising from the EU Information and Consultation Directive. These offer an opportunity for initiating and supporting the sort of collective consultative arrangements that might take root and prosper through cooperative employer–union relationships. This in turn has implications for trade unions, providing them with the opportunity to demonstrate their potential as independent vehicles of employee ‘voice’. Success in this respect is likely to enhance both recruitment and recognition, although this should be set against fears in some union quarters that the extension of consultation to non-union employees through mixed structures may dilute union influence. It is a reflection of the increasing importance of statutory support for collective bargaining that, while in the mid-20th century joint consultation was widely perceived to be a distraction for trade unions (Clegg and Chester, 1954: 364), by the 21st century, collective consultation rights may have become a valuable support.

To argue that some partnership and cooperative relationships may be stable is not, however, to argue that all will. The same cannot be said for relationships that we characterised as ‘shallow’. One clear condition for cooperative relationships to thrive and survive is relatively high union membership levels and strong workplace organisation. High membership levels in ‘robust’ cases tend to be sustained by the employer’s provision of supportive recruitment and representation rights—in some cases this was because employers preferred the union ‘partner’ to maintain high membership levels so that they could remain confident that the union represented a legitimate, principal consultative channel. By contrast, in ‘shallow’ relationships, union membership was low with an inability to increase density because of workforce apathy, or because employers actively curbed recruitment activity.

Looking ahead, we may expect cooperative relationships to develop as a common and relatively stable feature of those firms and sectors of the economy where employers perceive an advantage in a clear and independent employee ‘voice’. Backed by statutory information and consultation rights, they may develop where trade unions are presently weak or non-existent. But cooperative relationships will be most likely where trade unionism already has deep roots, notably in manufacturing and in the public sector. The collective bargaining accompanying such relationships will, however, be very different from that to which they were once accustomed.

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