

would you know she was discriminated against? The court ruled that she also should have access to her confidential outside letters, subject to controls to protect the authors. It took only about 10 years of litigation to get this ruling.

In closing, I hope that someday there is more systematic research into the issues discussed here. If other occupations begin to use peer review (and this is developing), and if those already using such mechanisms to make personnel decisions become unionized as they are in other countries, then insights gained from such research will be helpful. Perhaps we can also learn by studying how other countries deal with these difficult issues.

II. MATURE COLLECTIVE BARGAINING RELATIONSHIPS

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Purpose of the Study

A primary goal of this study was to develop case studies of mature collective bargaining relationships. The aim was to highlight the positive aspects of collective bargaining by documenting progress made by managements and unions in moving from an adversarial posture to one of cooperation. The approach was to identify exemplary cases of stable, mature, and generally peaceful labor-management relationships.¹

Almost 40 years have passed since the National Planning Association published, in 1949, *Causes of Industrial Peace*,² a landmark study of selected cases involving stable and harmonious labor-management relations. By adopting a standard approach, its authors were able to synthesize their observations and analyses to make a major contribution to the knowledge of our industrial relations system as it adjusted to change.

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¹U.S. Department of Labor, Request for Proposal L/A 85-18, C-3.

²National Planning Association, *Causes of Industrial Peace* (Washington: NPA, 1949).

A few years after *Causes* was published, the Bureau of Labor Statistics began to note a major change in the U.S. labor movement. Following two decades of growth, union membership dropped to a low of 20 percent of nonagricultural employment in the early 1980s. Its high had been 32.5 percent in 1953, but the decline continued through the 1980s.³

Buffeted by these social and economic forces and despite their differences, a number of unions and employers were able to make adjustments necessary to achieve generally peaceful relationships. Particularly when confronted by external challenges, the parties recognized a commonality of needs, and they worked together for mutual benefit. Perhaps adversarial relationships continued in order to represent the parties' separate interests, yet they incorporated into this system a significant element of cooperation.

In the 40 years since *Causes of Industrial Peace* was published, an enormous range of changes has affected work, workers, and the workplace, intensifying the need to examine the "conventional wisdom" of *Causes*:

- the increasing legalization of employee relations, the impact of laws, such as the Labor-Management Reporting and Disclosure Act, the Civil Rights Act and other anti-discrimination statutes, and the effect of courts and quasi-judicial forums on workplace issues;
- the growth of the grievance/arbitration system as the legally accepted *quid pro quo* to the giving up of the use of economic weapons during the contract's life;
- the continuing decline, in relative and absolute terms, of organized labor in the work force;
- the increasing resistance, by legal and other means, of employers to unionization;
- the enormous growth of public sector unionization at the federal, state, and local levels, accompanied by the rise of public sector unions (e.g., AFSCME, AFT); the expansion into the public sector of unions largely based in the private sector (e.g., CWA, SEIU, Teamsters); and the inclusion as unions of associations (e.g., ANA, NEA);

³The figure for 1953 is from Troy and Sheflin, *Union Sourcebook* (West Orange, NJ: Industrial Relations Data and Information Services, 1985). Data for the 1980s are reported in Gifford, *Directory of U.S. Labor Organizations*, 1986-87 ed. (Washington: BNA Books, 1986).

- the development of new union leaders (in style, attitude, background, experience, approach), not tied to the Wagner and Taft-Hartley Acts or the “lessons of the 1930s”;
- a changed labor force—more women, younger and more educated; more minorities; more questioning and challenging by workers coming of age during the Civil Rights movement and its aftermath;
- the growth of white, grey, and pink collar jobs, the service sector, and wholly new industries;
- geographical shifts to the Southeast and Southwest;
- changed attitudes toward compensation and the continuing growth of benefits as a part of the entire remuneration package;
- changes in bargaining patterns and bargaining issues;
- the growing internationalization of competition and the continuing increase of direct foreign investment in the United States;
- the reassessment by some unions of their appropriate role in collective bargaining, and their experimentation with representation on boards of directors;
- the increased interest by academics and practitioners in the nonunion sector as the place to look for innovation in industrial relations practices;
- tremendous advances in manufacturing and information technology;
- a decided shift in the balance of power between employers and unions, abetted, at least in part, by shifts in the NLRB.

In light of the extensive changes in the U.S. industrial relations system, it is particularly useful today to examine mature collective bargaining relationships to determine how they have accommodated this wide range of changes in their relationship.

Is the “conventional wisdom” still valid? Does a standard definition of “collective bargaining” need modification? For example, Harold Davey’s textbook definition is a particular favorite of these authors: “a continuing institutional relationship between an employer’s entity (government or private) and a labor organization (union or association) representing exclusively a defined group of employees (appropriate bargaining unit) concerned with the negotiation, administration, interpretation, and enforcement of written agreements covering joint understandings as to wages or salaries, rates of pay, hours of work, and other

conditions of employment."⁴ Should "cooperation" remain outside the explanation of how collective bargaining typically works in this country (suggested by the Walton and McKersie model⁵) or does "accommodation" (first used by Selekman⁶) need redefinition in light of current illustrations of mature, peaceful labor-management relationships?

Former Secretary of Labor Ray Marshall, among others, has stated that a key industrial relations issue in the United States today is not whether there is to remain a viable labor movement but what kind of labor movement this nation is to have.⁷ This comment was addressed particularly to those who claim that organized labor has outlived its usefulness and should be opposed by management at almost all costs, at virtually all times, and in just about any way it can. The Marshall view suggests that organized labor will not go away but will come back, possibly in a more class-conscious, class-oriented, idealistic, and dogmatic way. (It is of interest here to note that Jack Barbash⁸ wrote of possible changes in the U.S. labor movement to a "European-style," class-oriented model.) This might be far less advantageous to employers than the traditional "bread and butter" pragmatic "work within the system" unionism peculiar to the U.S. experience. When we add the view expressed by Thomas Kennedy,⁹ that the U.S. free trade union and collective bargaining system is an "outer defense" of the free enterprise system, the impact on the practitioner (and public policy maker) of enlarged understanding and appreciation of exemplary collective bargaining relationships is apparent. Since most managers (as well as union leaders, government officials, and third party participants) view a major change in the U.S. union movement, such as that suggested above, as undesirable and counterproductive for the U.S. economy, it is useful for practitioners

⁴Davey, Bognanno, and Estenson, *Contemporary Collective Bargaining*, 4th ed. (Englewood Cliffs, NJ: Prentice-Hall, 1982).

⁵Walton and McKersie, *A Behavioral Theory of Labor Negotiations* (New York: McGraw-Hill, 1965).

⁶See, e.g., Selekman, Fuller, Kennedy, and Baitzell, *Problems in Labor Relations*, 3d ed. (New York: McGraw-Hill, 1964).

⁷In public remarks at Georgia State University, February 22, 1983. See also Marshall, *Unheard Voices: Labor and Economic Policy in a Competitive World* (New York: Basic Books, 1987).

⁸Barbash, *Do We Really Want Labor on the Ropes?* 63 *Harv. Bus. Rev.* 10-20 (1985). See also Barbash, *The Elements of Industrial Relations* (Madison, WI: Univ. of Wis. Press, 1984).

⁹Kennedy, *Freedom to Strike Is in the Public Interest*, 48 *Harv. Bus. Rev.* 45-57 (1970).

to study examples of successful accommodative labor relations to see what commonalities emerge. This examination includes case studies which provide a synthesis and analysis of this vital information.

The six case studies are the product of interviews of key figures representing the parties and a study of literature relevant to their collective bargaining relationships. Insights and advice were provided from a committee of practitioners from union and management as well as the Deputy Under Secretary of Labor.

Others have been engaged in related research during the conduct of this study. Kochan, Katz, and McKersie¹⁰ suggest that a new system of industrial relations is emerging in which management is prepared to accept a larger union role in corporate decision making in return for more flexible work rules and more contingent forms of compensation. They prophesy that the New Deal system of collective bargaining that dominated this country's industrial relations for more than 40 years has been so transformed in the decade of the 1980s that it probably will not survive. Not only has union membership (and the number of firms covered by collective bargaining agreements) declined significantly, changing the balance of power within the system, but also deep-seated economic and technological pressures have created new concerns among management and workers. The New Deal system has been found inadequate for coping with these problems today. While Kochan and his colleagues studied both adversarial and harmonious relationships, we focus only on those that serve as patterns of industrial peace.

This study attempts to explain the "why's" of the relationships. It essentially describes patterns of existing peaceful/mature relationships. Hopefully, these cases may serve as a model for others who may wish to pursue the same course, and they may encourage some to seek alternatives to an adversarial posture.

Characteristics of a Mature Relationship

In selecting the companies and their unions to serve as case studies, the authors characterized a "mature relationship" as that described in the classic study, *Causes of Industrial Peace*. The

¹⁰Kochan, Katz, and McKersie, *The Transformation of American Industrial Relations* (New York: Basic Books, 1986).

Committee on the Causes of Industrial Peace Under Collective Bargaining identified several causes of industrial peace that are synonymous with a mature relationship:

1. There is full acceptance by management of the collective bargaining process and of unionism as an institution. The company considers a strong union an asset to management.
2. The union fully accepts private ownership and operation of the industry; it recognizes that the welfare of its members depends upon the successful operation of the business.
3. The union is strong, responsible, and democratic.
4. The company stays out of the union's internal affairs; it does not seek to alienate the workers' allegiance to their union.
5. Mutual trust and confidence exist between the parties. There have been no serious ideological incompatibilities.
6. Neither party to bargaining has adopted a legalistic approach to the solution of problems in the relationship.
7. Negotiations are problem-centered; more time is spent on day-to-day problems than on defining abstract principles.
8. There is widespread union-management consultation and highly developed information sharing.
9. Grievances are settled promptly, in the local plant whenever possible. There is flexibility and informality within the procedure.¹¹

Criteria for Case Selection

To these characteristics of mature relationships, we added the following additional considerations:

1. The relationships must be important to the overall vitality of the economy.
2. The companies must be of considerable size, and important in their industry and area.
3. Unions must be those which are recognized as integral parts of the labor movement in the United States today and in the foreseeable future.
4. A variety of environmental factors should be included, such as: geographic dispersement of organizations; varia-

¹¹National Planning Association, *supra* note 2.

tion of product or service, work group, technology, "political environment," nature of jobs.

5. The ongoing relationship ought not to have been "problem-free."
6. The problems addressed and solved in the two-party relationship should be representative of typical, significant, contemporary collective bargaining and labor relations issues and questions.

Using these criteria, the advisory committee selected the following six mature relationships to be studied:

1. American Airlines (AA)/Transportation Workers Union of America (TWU)
2. General Electric (GE)/International Union of Electronic, Electrical, Technical, Salaried and Machine Workers of America (IUE)
3. General Motors (GM)/United Automobile Workers (UAW)
4. John Hancock Life Insurance Company/United Food and Commercial Workers Union (UFCW)
5. Pacific Maritime Association (PMA)/International Longshoremen's and Warehousemen's Union (ILWU)
6. Southern Bell/Communications Workers of America (CWA)

Variables That Shape the Relationships

The initial shift from an adversarial to a mature relationship may be triggered by a single event or it may be a combination of variables that cause the parties to recognize that there must be a better way.

A long or bitter strike or the arrival of new personalities on the scene might be the impetus for a less adversarial relationship. The realization that conflict is too costly to both parties becomes the motivation to seek a relationship that is mutually beneficial.

GE and IUE

Perhaps no more vivid turning point can be found in any relationship studied than the 101-day strike staged by the IUE against GE in 1969-70, and the changes it brought about in the company's approach to collective bargaining and labor-management relations. Far more than the challenge to Boulwarism processed through the NLRB and the courts, the willingness of

so many company employees to remain out of work such a long period of time, including the winter months, and the fact that the union did not fold, resulted in a reassessment by GE management of its basic position vis-à-vis the union.

Top operating executives concluded that the strike was prolonged, if not caused, by management arrogance. Some in management were shocked at the perception of the company by the public and by the academic community, since GE had always prided itself on its leadership and management style as a major producer of consumer goods, and as a household name, not as a major antilabor company. In the aftermath of the strike, management concluded that the union was their employees' choice and would remain, so the company thereafter would refrain from attacks on it as an institution. Wholesale changes were made in the management team and in the style and location of negotiations. It was clear there was a new beginning in 1973.

Frank Doyle is recognized by company and union officials alike as the architect of the company's post-Boulwarism approach to labor-management relations. Originally brought in by GE as a consultant to study what had gone wrong with the previous approach, and to create a new labor relations strategy, Doyle wound up overhauling the process and recommending substantial changes in personnel, as the company prepared for the next round of negotiations in 1973. He was utilized by GE at the bargaining table in 1973 and again in 1976, and eventually accepted a corporate employee relations position. Along with the changes on the union side, which were also essential to clear the air of the previous hostile relationship, the "master builders" who followed implemented the approach largely conceived by Doyle.

During this period GE set out to change its image. Continuing dialogue was begun with the IUE in an effort to accord the union leadership a meaningful role. The company committed to a policy of no surprises and sought to legitimize a more interactive private bargaining process in which alternatives and a range of options could be developed with equal attention directed to each possibility, rather than focusing attention on a single right approach, as in the past.

This change in corporate philosophy did not change the company's outlook toward its management rights or prerogatives, however, or its willingness to take a stand on issues, but rather to a fundamental revision of its view of the union and its respect for

those representing the union. Subsequently the union was recognized and accepted as "part of the action," and was given an opportunity to be heard. Emphasis was placed on shared interests, although the company continued to hold the view that the U.S. system was built on conflict, and that adversarial labor-management relations were not necessarily harmful. Therefore, some clash of wills and interests was healthy in the relationship.

AA and TWU

The 1969 strike by TWU against American Airlines was a key turning point in their relationship. For most of its existence American had been a highly employee-oriented airline. This manifested itself in a particularly paternalistic approach toward employees under the long-term leadership and pervasive management style of C.R. Smith. Following the 1969 strike, the last in almost two decades, American and TWU undertook to explore a nonadversarial approach aimed at emphasizing the principles of mutual trust and information sharing. Largely crafted by James Horst of TWU and Charles Pasciuto, American's long-term head of labor relations, who until his retirement in 1987 was the recognized senior management labor relations official in the airline industry, the parties' position emphasized mutual benefits rather than victories in an adversarial relationship.

Pasciuto, with the support of a succession of chief executives at American, was recognized and accepted by TWU officials as a consistent professional with a clear, long-term vision of the company and its labor relations stance. Over the next decade and a half, many common issues and interests were resolved jointly. Both management and labor demonstrated a willingness to address and negotiate problems arising during the life of the agreement, rather than adding issues to a "laundry list" of items for the next formal contract negotiation period. This receptivity to working out problems resulted in the formation of numerous joint problem-solving committees (such as an Employee Assistance Program, a harassment committee, and other panels for special grievances). An atmosphere developed where, at least at the highest levels of each organization, there was a willingness to maintain regular communication. Pasciuto characterized his attitude as one of:

not ever letting the union leaders be surprised, [such that] when the rank and file call them dumb. . . . [this is] so they can be better informed leaders. . . . if [American has a] new policy, and it has not been negotiated, tell them before you tell the employees. . . . that is part of the relationship.

This relationship, borne out of the 1969 strike experience, survived leadership changes on the TWU side as well as at the helm of American. When Robert Crandall became CEO and president of American in 1980, he supported efforts to sustain a genuinely cooperative relationship. Although the post-deregulation period in the industry constituted an additional, externally imposed turning point, Crandall saw it as a time for changing certain attitudes and practices of some workers and union leaders, not as an opportunity to rid the company of the TWU. This attitude was regularly communicated to TWU leadership and the company's employees during the period leading up to the major negotiation in 1983. As a result, the 1983 agreement was a groundbreaking and innovative contract which included guaranteed jobs and nonrelocation assurances, sizable wage increases, a two-tiered pay structure, early retirement options, and expanded use of part-time employees. It was built on the positive and stable relationship nurtured by the top levels of both parties since 1969. The company pushed hard for the adoption of certain terms and communicated extensively with employees and reluctant lower-level union officials to assuage their doubts and calm their fears. However, the TWU leadership recognized that the company's approach was not to break the union but to maintain a consistent, long-term strategy in the wake of the deregulation environment. Though certain features of the company's position were difficult for the TWU to accept, the union had no doubts about the underlying professionalism of the company and the willingness of Pasciuto and Crandall to continue their joint partnership approach. In the aftermath of the 1983 agreement, the parties have continued their joint activities in an atmosphere of mutual trust.

GM and UAW

A good example of the role of new personalities in making a relationship ripe for change was the selection of GM's Vice President of Industrial Relations Staff, Alfred S. Warren, Jr., in

1977. He had played a key role in developing the quality-of-worklife (QWL) program, and his selection as vice president was viewed by the UAW as "a clear message that GM wanted to do things differently." Several years later in 1983, Donald F. Ephlin was appointed head of the UAW-GM Department, where he served as union negotiator and the primary union contact with GM. He was viewed as an accommodator by his colleagues and GM officials. He had been successful in implementing Employee Involvement Programs at Ford, and his philosophy of cooperative bargaining relations matched Warren's. Ephlin and Warren succeeded in peacefully negotiating two successive landmark agreements. They also fashioned the unique Saturn Agreement, making the union an equal partner in the production of a subcompact car designed to compete effectively with Japanese imports. Ephlin and Warren continue to work together in a problem-solving posture and serve together in a variety of joint activities to meet the mutual needs of both parties.

Often the impetus for change stems from some external pressure, such as foreign competition, government regulation (airline deregulation, divestiture in the communications industry), or economic decline. Traditionally the GM/UAW relationship had been adversarial, one party answering the other's hostile initiative. Because Japanese companies had captured more than 15 percent of domestic auto sales by the early 1970s, U.S. auto companies and the UAW began to recognize a need to reexamine their relationship. Additional pressures were created by extensive layoffs resulting from market share erosion. Despite this realization it was not until the 1980s that a lasting mature relationship became apparent.

The early 1970s saw QWL initiatives in several plants. Both parties viewed QWL with skepticism—local managers did not consider the time spent involving employees worth the payout, and a nucleus of union hardliners sought to convince the rank-and-file that QWL was an attempt by management to undermine the union. GM decided to operate its new plants in the South union-free and utilized QWL elements to thwart union organizing attempts. The company's "southern strategy" interrupted any progress that had been made. The union countered with a series of ministrikes. Foreign competition took its heaviest toll in the mid to late 1970s. At this point the parties became serious about reversing the old adversarial relationship.

Evidence That the Relationship Is Positive and Peaceful

Evidence that the relationship is working is found in the following characteristics of a mature collective bargaining structure: (a) mutual trust, (b) a problem-solving approach to bargaining, (c) a willingness to experiment and innovate with joint activities to meet mutual needs, and (d) constant communication between the parties.

Mutual Trust

The element of mutual trust is significant in maintaining a mature relationship. When one side can be confident that the other will be true to its word, the likelihood of a stable, cooperative relationship is enhanced.

John Hancock and the Insurance Workers (now affiliated with the UFCW) are proud of the "mutual trust" relationship that the union's International President and the company's Vice President of Industrial Relations have built. Union President William Gillen recalls one incident that is appropriate:

The company could bring agents into the office more often than once a week if their performance was less than satisfactory. The company wanted to delete restrictions on bringing agents into the office and one particular negotiation it was successful in having it deleted from one provision; but, due to an oversight, it remained in another section of the agreement. Murdock (Vice President of IR) conceded that the company had blown it, but the union felt it had struck a deal. It didn't take advantage; as far as the union was concerned, the restriction had been bargained out of the contract.

Southern Bell and the CWA have made great strides toward trust building. Their QWL committees, which contribute to trust building, have gained wide acceptance, growing from 71 in 1982 to 416 in 1988. Frank Skinner, Southern Bell's president, related an experience of a QWL committee in Florida that, through its own research, developed a new work process resulting in the elimination of eight jobs—their own! These committee people had enough trust in the system to make the recommendation even though their jobs would no longer exist. They knew that they would have comparable or better jobs. This case demonstrates that employees serving on QWL committees are dedicated to the process and have faith that it is good for them as well as for the company.

Problem Solving

Another characteristic of a mature collective bargaining relationship is the problem-solving posture of the parties.

Southern Bell and CWA were faced with the challenge of combining two different contracts (South Central Bell and Southern Bell) into a single regional agreement (BellSouth). Southern Bell under BellSouth was the only regional operating company that agreed to bargain on a regional instead of an individual company basis. A joint committee met for more than a year to merge the two contracts. Each had a good idea of the needs of the other. The union's goal was to obtain a good settlement early so that the International could use it as a wedge with other regions who were holding out. The contracts are combined successfully and the parties settled early. Both sides viewed the result as "a good contract . . . the best negotiated by any team in the telecommunications industry [in 1986]."

GM and UAW. At the Doraville, Georgia, plant GM and UAW Local 10 have adopted a "spirit of cooperation" to work together to resolve mutual problems. Outsourcing of work has always meant a strike point to the union because it represents job losses. In an effort to overcome the negative impact of outsourcing, a joint union-management team was formed to study the feasibility of keeping outsourced work in-house. The team studied building seat cushions for one of GM's midsize models. It found a way to produce the item in-plant for slightly less than the vendor charged. The company allowed the team to bid on the work; it won, and now the cushions are produced in the plant. The idea made good sense to management, and bids are now accepted from in-house not only to counter outsourcing but to "insource" as well. (Insourcing involves bring-back work that has been outsourced in the past.) Joint problem-solving has worked so well at the Doraville plant that the corporate office has decided to assign the assembly of new GM-10 midsize cars there rather than shut it down, and instead closed a facility in Texas.

GE and IUE. A problem-solving mode can be found in the collective bargaining process occurring between GE and IUE. The company no longer enters negotiations with conclusions as to what is good for its employees, asking the union simply to tell them what is wrong with their approach. Instead it encourages sharing of information, explanation of the issues, and interactive development of solutions. In this process management typ-

ically provides their general idea of the overall size of the negotiated package, but the parties jointly shape individual items of the package. They work together on the design more than on the size of the settlement.

PMA and ILWU. Evidence of a mature, cooperative labor-management relationship is demonstrated by the fact that in four decades only one ILWU strike against the PMA has occurred, while the union has pushed successfully for substantial improvements in wages, benefits, and working conditions. But this is too facile an explanation to suit the realities of the situation. In fact, the union recognizes that a strike is extremely costly to ship operators, since they lose millions of dollars daily, and complex ship schedules are ruined. Management does not have the option of moving operations. The whole West Coast is one unit, ports are not movable, and a strike shuts down all ports. Although the union is in a relatively strong position to insist on increases, the relative reasonableness of their demands and the joint efforts to solve common problems provide evidence that this relationship is cooperative and positive. A number of provisions in their contracts demonstrate the joint problem-solving approach of these parties: the 1964 Joint Training Program, a commitment by both parties to safety and productivity on the docks; the 1973 and 1978 provisions under which the whole industry, rather than a particular employer who benefits, pays the travel or moving expenses of workers from low-work ports to ports where work is available; and the joint efforts in the 1981 and 1984 negotiations to reverse the movement of container work from the docks.

Innovations

The parties' willingness to experiment and innovate is another criterion of a mature relationship.

Southern Bell and CWA's mediation of grievances is a good example. The pioneering use of grievance mediation in the bituminous coal industry, with the assistance of Steve Goldberg, influenced Southern Bell and CWA to sign a memorandum of agreement to use this approach on a trial basis, starting in 1984. The experiment was so successful (89 percent of the grievances mediated resulted in settlements short of arbitration) that the parties agreed to extend it for another year. It was made a permanent part of the agreement during the 1986 negotiations.

In another experiment *GM and the UAW* jointly devised a project to build a small car domestically to compete with the Japanese. The Saturn pact that resulted was hailed as a landmark agreement, and one reporter offered the following praise: "An extraordinary commitment to cooperative ways of dealing."¹²

The expedited arbitration system developed by the *IUE and GE* also demonstrates a joint willingness to innovate. This procedure had been talked about as early as 1973 and was implemented in the 1976 agreement. Initial momentum was provided by the union and arose from its concern about the rising cost of arbitration. Management had concerns about whether an expedited process would present possible vulnerability to legal attacks on the due process features of the system. They worried that their representatives might not prepare as thoroughly. Nevertheless, it was accepted as a device to make the grievance process work more effectively, and it has remained in the agreement for the past 12 years.

The unique and innovative "instant arbitration" system in the *PMA-ILWU* relationship, developed primarily by Sam Kagel, has the indirect benefit of contributing to regular communication and consultation between the parties. Their joint committee framework requires that they meet and talk often. The open interaction occurring in these meetings has spilled over into other areas of joint interest. Participants build personal relationships and become familiar with their counterparts. They are continually exposed to the other party's perspectives and position. Issues and concerns are allowed to surface and are discussed jointly in committee meetings before they arrive at the contract negotiation stage.

Joint Activities

If a single characteristic of a mature collective bargaining relationship stands out, it is joint endeavors. The parties in the case studies have fashioned committees, projects, and activities that are jointly planned, implemented, and administered.

In the 1984 *GM-UAW* agreement, the parties devised an innovative program to improve job security. The Job Opportunity Bank-Security Program (JOBS) is jointly administered by com-

¹²John Herling's Labor Letter (June 21, 1986), 4.

mittees at the local, area, and national levels. Training associated with the program is conducted jointly. Under JOBS, employees with a year or more of service are not laid off as a result of outsourcing, technological change, negotiated productivity improvements, interplant work shifts, or the consolidation of component production. Those who face layoff (for reasons such as decline in business or sale of a plant) first use their seniority to bump into other jobs. Then, those with at least a year of service who face layoff may participate in an Employee Development Bank where they receive the rate of pay of the last job they held. Bank members can be given one of several alternative assignments: another job in a GM plant, job training, replacing someone in training, or a "nontraditional job" either outside or within the bargaining unit.

Another example of joint problem solving has been the ongoing commitment of *PMA and ILWU* to adjust to technological changes that increase productivity while preserving the work opportunity of as many ILWU members as possible. Their Mechanization and Modernization (M & M) Agreement of 1960 was a landmark in joint resolution of problems of displacement caused by improvements in technology. In that instance the economic security of the existing work force was maintained by the agreement that there were to be no layoffs due to lack of work, while the employers reaped net gains in productivity. Adjustment to mechanization continued after M & M with the negotiation of the Container Freight System (CFS) Agreement in 1969, in response to the threat to jobs of the rapid growth of containerization. The plan was modified by the parties in 1972.

During the period of 1975-1976, *GE and IUE* generously cosponsored and financially supported a successful labor arbitrator development program. As a joint activity this particular program was noteworthy since their arbitration clause was complicated (13 pages in the current agreement) and their arbitration history was especially contentious and litigious. By individually and jointly endorsing a program to facilitate the acceptability of new arbitrators, as well as committing in advance to use each successful program participant as arbitrator of record in at least three cases of their own, the parties signalled to each other and to others the joint acceptance of a principal institutional feature of a mature collective bargaining relationship.

Communication

Another way the parties demonstrate a mature relationship is by their continuous communication with each other in order to anticipate problems, to keep the other informed of needs and trends, and to correct problem situations as they arise. CWA officials are invited to *Southern Bell* headquarters to address executives on their feelings and perceptions of the relationship. Likewise, Southern Bell officials are invited to speak at CWA District Leadership meetings to address matters of concern to management. In one meeting, for example, the company president sought CWA understanding of rate cases.

The magnitude of consultation and communication that takes place between the *PMA and ILWU* is another indication of the maturity of that relationship. ILWU and PMA staffs know each other at every level of the organization and interact often. Positive relations among top officials filter down through lower levels. Without this mutual trust at the highest levels of the ILWU-PMA relationship, it would be difficult to foster respect through staff positions.

There is constant communication between staffs and a significant amount of data sharing. PMA has good data-gathering and research capabilities and shares this information freely with the ILWU, which normally does not challenge the statistics themselves, although there may be disagreement over the conclusions drawn from them.

Communication is also fostered by the large number of joint committees which meet regularly. In addition to the Joint Port Area and Coast Labor Relations Committees, numerous joint problem-solving committees deal with issues arising in areas such as pensions and health and welfare. There is also a bilateral Drug Testing Committee.

At *GE and the IUE*, continuous communication is also apparent. In the legal area there is a long-standing agreement between principal representatives Christopher Barreca of the company and Robert Friedman of the union that if an issue arises which may have legal implications for their relationship (such as the possible filing of an unfair labor practice), they will discuss it before any action is taken. Neither wants to be surprised, and both favor this ongoing dialogue. As a result, they are on the phone together at least a couple of times a week, and there has been very little litigation since 1970.

In these six cases it is not uncommon for company executives to pick up the phone to discuss day-to-day bargaining matters with their counterparts in the union. There is open communication even between the heads of the company and the union. By discussing their problems, sharing concerns, and exchanging prospective developments, they are often able to settle their differences before major problems develop.

Summary and Conclusions

These six different cases, which have in common mature, largely peaceful, long-term collective bargaining relationships, suggest common themes that transcend the individual settings. These characteristics are interrelated and build on each other. Though researchers will continue to examine and test these tentative conclusions against data developed from the in-depth case studies, the following statements can withstand future probing:

1. Union and corporate officials demonstrate a deep, abiding, institutionalized trust toward each other. Each respects the integrity of the other and recognizes that both approach the relationship as equals. Each is aware and accepts the legal and moral right of the other to exist. Mutual recognition extends to a genuine understanding of the adversary.

2. Regular, ongoing communication between principals at key levels of both organizations occurs to inform the adversary of positions taken, to diffuse potentially troublesome issues, and to fulfill the needs of a true joint decision-making process. Communication between the parties is more than a tool or technique to smooth the way to more effective contract negotiations. It is an outward manifestation of the parties' desire to work and live together through the problems and opportunities arising out of the employment relationship.

3. There is a high degree of stability of the participants. Union and management have long-term, ongoing relations, and this constancy provides time for representatives to build trust. Continuity in leadership and consistency in approach are hallmarks of a stable relationship. Well regarded principals may move up but do not leave the picture without carefully groomed successors or supporting personnel seen by both sides as trustworthy and likely to perpetuate the stability of the relationship.

4. The parties rely on themselves to manage their relationship. Even though they can afford it monetarily, they do not use outside consultants, legal counsel, or other "hired guns" to any great degree. These parties trust themselves and they trust the other side. They trust each other not to hire an outsider to run the relationship. It is nonlegalistic and is conducted by those who know each other well and who interact regularly.

This concern for stability also extends to choosing grievance arbitrators. Those called upon for contract interpretation are either umpires or members of rotating panels. Ad hoc arbitrators who are not familiar with the parties, their institutional cultures, or the relationship, typically are not chosen.

5. Innovative approaches to common concerns are regularly sought as a way to sustain the relationship because the parties expect joint payoffs from such activities. From this ongoing problem-solving posture, QWL programs, grievance mediation, joint technological change or productivity improvement committees, and other similarly driven experiments have developed. Through such joint efforts the parties collaborate to solve problems.

The principals in the cases studied are tough, hard-nosed, pragmatic representatives. These relationships are not "love-ins," nor are they illustrations of much heralded labor-management cooperation. Although examples of labor-management cooperation can be found in the detailed, longitudinal analysis of each case history, the full, ongoing, relationship is much broader than that. Where labor-management cooperation is found, it is part of the ongoing relationship and a natural outgrowth of it. These mature, generally peaceful relationships are not problem-free. There are instances of trying negotiations, divisive issues, and firm, opposing positions, but through their own devices the parties have found mechanisms for working through difficulties and strong reasons for maintaining mutual trust and support. There are important principles to be derived from a further synthesis of these findings. The remainder of this project will be directed toward that end.
