THE NEXT STAGE IN EMPLOYEE INVOLVEMENT: PARTNERSHIPS FOR STRATEGIC PLANNING AND MANAGEMENT

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Abstract:

Programs for employee involvement in management decision-making have evolved through numerous stages. Many of these programs, once implemented, did not last. However, an avenue that currently holds particular promise is that of joint strategic planning efforts. Strategic planning and its corollary, strategic management, contain advantages for lasting labor-management partnerships in areas where previous involvement efforts have been deficient. By its nature, strategic planning requires an organization to articulate and assess its most basic activities and values. Strategic planning, instead of imposing a new program on top of an existing structure, has the potential to reconstruct an organization. Often, for employee participation or a labor-management partnership to work, such fundamental change is needed. Successful implementation of strategic goals requires the understanding and support of the people most often expected to carry out those goals—the employees. In a unionized setting, joint strategic planning holds great potential for the union to form its *own* goals and make sure these are incorporated into an overarching plan for labor and management. In this paper, we present specific cases where strategic planning has been used to form labor-management partnerships. We attempt to show how decision-making patterns can be fundamentally changed through the experience of joint strategic planning. The ultimate goal is a lasting labor-management partnership. In this case, strategic planning and management can be instrumental in producing a sustained commitment and enhanced labor-management relations.

I. Introduction

Since the 1970s, many companies have experimented with employee involvement programs. Such programs were developed in response to a perceived need for improved quality and efficiency in American business. Employee involvement programs have evolved through many stages and have taken on different names and features in response to various trends. Quality circles, quality of working life programs, teams, total quality management, and reengineering, among others, have successively been attempted by businesses seeking a model formula for employee involvement (Nissen 1997). For example, the Ford Motor Company has initiated retraining programs for its workforce in order to build a focus on quality and to promote the input of workers into the production process. Workers' pay is tied to profits and the attainment of training and quality standards (Kirschenbaum 1992). A recent example of an employee involvement initiative is the alliance between Kaiser Permanente, the HMO giant, and its affiliated labor unions. This partnership takes the form of joint labor-management committees and a senior partnership committee of top management and union leaders (Moore 1997).

Although individual employee involvement successes have been widely publicized, many programs indicate ambiguous outcomes (Juravich 1996). Even the Saturn plant in Spring Hill, Tennessee, the site of a well-known employee involvement experiment, has faced a downturn in its cooperative efforts when confronted with financial constraints in the form of a decreasing market for its automobiles (Grasson 1998). Indeed, relatively successful programs have encountered many barriers. The emphases of many employee involvement programs have been workplace efficiency and product quality (Schneider and Stepp 1996). Programs such as these do not adequately address other issues that are fundamental to the achievement of quality, such as the development of trust between labor and management and the sharing of decision-making authority. Therefore, many employee involvement programs, once implemented, cannot be sustained. An enduring program requires genuine and ongoing commitment from both labor and management. In response to this dilemma, some businesses have attempted to form full partnerships with their labor unions. However, partnership efforts also suffer from many of the same obstacles encountered by other employee involvement attempts.

II. Past Failures of Employee Involvement Programs

Management often views unions as impediments to implementation of employee involvement and total quality management. Accordingly, union involvement in such programs is limited, as shown by a series of surveys of Fortune 1000 companies conducted between 1987 and 1993. However, these surveys indicated that the degree of union involvement in employee involvement programs was highly correlated with improved performance and many other measures of quality management (Lawler, Mohrman, and Ledford, 1995). Therefore, where unions are present in the workplace, management is more likely to attain its performance goals by soliciting the active participation of the union. A fundamental question is raised, though--how can unions become substantially involved and stay involved?

Even when the intentions of an employee involvement program move beyond higher performance to the attainment of total quality and a labor-management partnership, organizations face many stumbling blocks on the path to realization of their goals. Foremost among the obstacles to a partnership are the fundamentally opposing interests of labor, regarding such matters as higher wages and improved working conditions, and management, regarding increased profits and expanded flexibility. These opposing interests breed distrust and an adversarial, sometimes antagonistic, relationship. Many American businesses were built on the assumptions of Taylorism, Frederick Taylor's theory of scientific management, which views the worker as a "cog" in the production machine (1913). American unions react to the practices of Taylorism; the behavior of unions is largely reactive to management decisions rather than proactive. The long-held Tayloristic outlook of labor and management does not naturally encompass cooperation and employee participation, but focuses instead on efficiency. Accordingly, when management initiates a participative program, the union has many reasons to distrust the employer's intentions. This apprehension and distrust becomes especially poignant when cooperation has not been tried before in the workplace or when the new program runs counter to the workplace culture and supervisory philosophy (Lloyd 1996).

Four main reasons underlie labor's lack of eagerness to cooperate in a new participative program. First, the union may believe management is attempting to weaken the union or completely destroy it (Lloyd 1996). If a program is successful, the relevance and necessity of a union may ultimately be in question. The union gains its strength from being *needed* by the workers, who must rely on the union to represent their interests. If worker concerns are addressed through participative management and partnership, will collective bargaining be undermined and will the union fall apart? Will the union become so weakened that management seeks union decertification? Is this management's ultimate goal? A second belief of the union may be that management wants the employees to work harder for the same or a lesser share of the revenues (Lloyd 1996). By "packaging" the program and "selling" it to the workers, management may seek to define workers' interests for them (AFL-CIO 1994). The partnership may be a deceitful front for less collaborative intentions. Third, as a result of employees becoming responsible for more work, the employer will require less workers. An ulterior motive of management may be to cut jobs. Fourth, another possible assumption, related to the deception of employees, is that a participative program is solely for public relations purposes. As for management wariness of partnership efforts, there is the fear that management will lose control and that profits will be sacrificed to worker demands (AFL-CIO 1994).

In addition to the issues of trust and sincerity, partnership efforts often lack comprehensiveness and intensity. When a program is implemented haphazardly, with unclear purpose, and with little commitment from the participants, only a miracle will extricate the effort from failure. One of the most overlooked aspects in a less-than-comprehensive program is that of preparation, specifically, training in the skills of cooperation and decision making. Employees cannot be thrown into the jungle without basic survival skills. Successful efforts are most often gradual efforts allowing employees time to acquire new skills (Holpp 1994). Besides the missteps of not trying hard enough, and of attempting too much too soon, problems also arise when companies do not proceed in a systematic way (Donald et al. 1997).

Partnership programs lacking pace and comprehensiveness also often lack program maintenance and self-evaluation. Nearly all businesses have felt the pressure of insufficient time. When a partnership is not built into day-to-day activities, it often becomes subordinated to other, seemingly more pressing, matters. However, the problem of time is related to a lack of commitment. If total quality is a priority, and a partnership has been identified as a means to achieve quality, then maintenance of the partnership necessarily becomes a priority. The management and union personnel involved in partnership groups or committees may also be reluctant to perform self-evaluation, fearing that they might have to admit failure or receive criticism for perceived failure.

Another problem found in employee involvement and partnership programs is the emphasis on company goals at the expense of union goals. The emphasis on company goals develops because most employee involvement programs are implemented top-down. Rank-and-file employees often view such a program as just another mandate from upper management. Because many rank-and-file employees resist authority, they often refrain from assisting the employer in implementing change (Calnan 1995). The change requested by management in top-down programs will usually not include a change in the power structure. Employees sense that top-down efforts always carry the danger that the *appearance* of worker participation will be offered, rather than the reality (AFL-CIO 1994).

Because these obstacles are faced by most labor-management partnership efforts, an approach is needed that addresses impediments and enhances the sustainability of the effort. The ultimate outcome of such an approach should be a lasting partnership.

III. How Joint Labor-Management Strategic Planning Mitigates the Obstacles to Successful Employee Involvement

One promising vehicle mitigating the obstacles to successful employee involvement is joint labor-management strategic planning. Strategic planning is the process by which an organization charts both its desired future and the means to get there. The process involves the use of various procedures and tools, and sometimes step-by-step models, to form a written plan. Most strategic planning methods entail reassessment of the organization's purpose, identification of goals, examination of routes to achieve those goals, formation of an outline of actions to be taken, and an evaluation process for determining whether goals have been met (Bryson 1995). Successful strategic plans are the result of well-informed deliberation among a number of decision makers, incorporate the desires of main stakeholders, and focus on long-term solutions rather than merely stopgaps. Participation of chief decision makers and stakeholders is usually crucial to the successful implementation of the strategic plan (Bryson and Einsweiler 1988).

Joint strategic planning holds possible solutions to many of the barriers faced by labor-management efforts. First, the strategic planning process builds trust. To form a plan, key stakeholders must be brought together in the same room. There is an implicit acknowledgment that neither party has all the answers (Calnan 1995). In addition, there is the idea of equality between labor and management by the usual requirement of equal numbers of labor and management representatives. To begin, the company and the union will need an agreement which lays out the guidelines of the joint planning effort and designates a “clearly defined relationship” between the labor and management planners (AQP 1996).

Joint strategic planning facilitates the creation of joint goals by requiring that all decisions be made by consensus. That is, no decision is taken forward until all members of the joint strategic planning team are satisfied that each element of the plan represents something they can “live with.” Therefore, the most workable solution to an organizational dilemma may not necessarily be the most efficient or rational one. Joint planning will quickly highlight for participants that, no matter how attractive it might be, a proposal will be formidable to implement without agreement as to its value. It is certainly better to determine this early in the process, rather than expend large amounts of resources on a solution that will not work in practice, no matter how logical it seems in theory (Julian and Lyons 1992).

Strategic planning also places the focus on problems to be solved, not the people involved. Labor and management often view problems in an organization quite differently. Incorrect assumptions arising from incomplete information can be altered by clear, honest communication during strategic planning. For example, instead of blaming workers on the shop floor for a production difficulty, management can learn what the workers themselves think is causing the problem (Calnan 1995). A related benefit to a focus on problems in joint strategic planning is the creation of an environment for joint problem solving. If labor does not have an avenue for making suggestions concerning production or process, good ideas may not be voiced or may be ignored (Calnan 1995).

Strategic planning provides for comprehensiveness and intensity. In the strategic planning process, many opportunities are provided for the formation of a genuine and complete partnership. First, strategic planning is an ideal way to reconstruct the organization. By transforming an organizational structure, a planning team can offer workers real power, rather than a mirage of involvement or empowerment. Often, a fundamental change in decision-making authority and practices is absolutely vital to a successful partnership. Reconstruction, while altering or creating decision-making methods, can also involve a change in organizational culture. Trust, respect, cooperation, and participation must be instituted as organizational values if labor and management are to view each other as partners.

A joint planning process forces both partners to examine their joint strengths and weaknesses and the threats that face their workplace. By taking into account the perspectives of labor as well as management, joint efforts provide a more encompassing view of the environment and of perceived opportunities and constraints. More perspectives and experience provide for a more informed and realistic strategic plan. During a joint planning effort, both partners are forced to think about opportunities as a joint entity. In order to form strategic goals, the two parties must identify and concentrate on common interests rather than accentuate opposing interests as in the collective bargaining arena. This process emphasizes to the parties that the success of the business is a common interest to all.

The strategic planning process guides participants through a complete assessment of the organization: its past, its purpose, and its vision for the future. Strategic planning processes usually include steps involving the identification of mandates, mission, values, positive and negative environmental influences, and strategic issues confronting the business (Bryson 1995).

A well-written strategic plan also provides for program maintenance and self-evaluation. In particular, strategic planning addresses program maintenance by requiring that goals be understood and supported by those who are expected to carry them out, most often front-line workers. Because of the top-down orientation of most traditional strategic plans, the workers who must implement the plan have no stake in it. They must be convinced of its benefits, otherwise efforts will be half-hearted or fail completely. If the ultimate goal of strategic planning is a quality organization and a quality product or service, workers must be included in the design stages. They are much more likely to effect thorough implementation if they view the plan as something of their own or as something shared. Joint strategic planning adheres to classic political thinking, the use of consensus building and coalitions to achieve a goal. The probability of success is improved if the proposed plan or policy has been agreed to ahead of time, before the onset of implementation. Selling the plan to others in the organization will be the job of both union and management. Union employees will be presented with a strategic plan that already has their union leadership's stamp of approval. Such a plan will be more readily, although not always easily or quickly, accepted by the workforce.

A strategic plan is an effective means to achieve goals because it focuses on implementation. It requires the creation of detailed action plans that take into account available resources, timing, and the assignment of responsibility for implementation. A good strategic plan lays out an implementation timetable. Implementation teams can pace themselves and avoid rushing employees into situations for which they are unprepared.

Regular reviews of a plan are necessary to ensure its continued relevance and viability. Partnership leaders often have to illustrate the benefits that their joint plan has brought to the organization. Evidence such as improved productivity and increased customer satisfaction must often be provided to maintain the support of top management and to keep partnership activities and teams in place (Holpp 1994). However, it is important to remember that some essential components of progress, such as morale, how people think and feel, are hard to measure (Calnan 1995).

Because the environment may change, the strategic plan also needs to be adaptive (Cabana et al. 1995). Flexibility is an asset because the opposing interests of labor and management do not disappear. Further disagreements are almost certain to occur. If a conflict threatens to disrupt implementation of the strategic plan, it must be recognized and addressed. A conflict must be directly confronted or it may derail the labor-management relationship (Wells 1996). Ideally, a process for dealing with problems that arise should be addressed within the plan. John Calhoun Wells describes such a process as a "conflict management and resolution mechanism," which preferably should be specific to an organization and could involve traditional collective bargaining or the use of a particular problem solving method (1996). A realistic approach to strategic planning includes preparing for future labor-management difficulties and other unexpected, perhaps even positive, events.

Joint strategic planning also addresses the usual problem of employee involvement programs that emphasize company over union goals. By participating in joint planning, the union can ensure that its concerns are addressed and union goals are incorporated in the strategic plan. Joint planning has the potential to strengthen the union rather than weaken it. Participation by union leaders demonstrates the significance of those leaders within the company and union. If the results of plan implementation increase profits for the company, and if appropriate distribution of financial rewards from the plan have been clearly outlined, workers stand to gain financially as well. If the successful company expands its operations, the union may increase its own membership. Of course, results of joint strategic plans, as with other employee involvement programs, may vary. However, it has been shown that the most successful programs, those that improve quality, productivity, and also meet union goals, are most often the result of joint efforts in which the union is a full partner (Juravich 1996). Strategic planning ultimately paves the way for a lasting partnership because there is a joint purpose, joint vision, and joint plan for attaining the vision.

IV. An Examination of Selected Cases

A. Case 1: Union Strategic Planning

In some situations, labor organizations must first engage in strategic planning independent of employers to be equipped for joint planning as a full partner with management. The lack of internal mission and goals within some union organizations makes it impossible to conduct joint planning with management. In such situations, unions must first define themselves before embarking on shared labor-management planning. In one case, a Building Trades Council (BTC) in the Midwest, a service organization to building trades unions, decided to adopt a strategic plan to reinvigorate the BTC, which had lost focus and significance in the labor movement and in the local construction industry (Donald 1998). The BTC was faced with a situation where the affiliate unions had forfeited considerable market share to non-union operations and each union was working independently to capture some declining portion of that market. When a new Business Manager was elected to head the BTC, he immediately gained consensus among the affiliates to meet in a two-day session in a sequestered setting to develop a strategic plan. The Business Manager emphasized the importance of meeting away from the workplace to avoid the faxes, phone calls, and other pressing matters associated with union officials' jobs. Representatives of all BTC affiliate unions actively participated in the strategic planning retreat. The Business Manager utilized a five-step process working with the union leaders in developing the strategic plan. This process was based on a model developed by Hofer and Schendel, Gleuck and Jauch and Pearce and Robinson (Scheck et al. 1990). The specific steps included the identification of organizational purpose or mission, external environmental analysis, internal analysis of strengths and weaknesses, long and short-term objective setting, and strategy development (Scheck et al. 1990). Through this process, the BTC identified its mission, vision, and three primary strategies. The BTC mission was identified as developing a union-shop market. The three BTC strategies were increasing union market share, unifying the building trades unions, and improving the public image and political influence of the building trades.

The next step was to develop tactics and tools for implementing these strategies. The tactics identified for implementing the strategy of "increasing market share" were to target market sectors and owners; to increase union membership and contractor population; and to improve contractor and user relations. For the second strategy, "unifying the building trades union," the following tactics were adopted: to improve the BTC operations and services; to coordinate unifying activities; and to increase union membership involvement. The third strategy of "improving public image and political influence" was implemented through three tactics: to publicize training, skills, and manpower; to coordinate and promote public and political activities; and to promote charitable and volunteer projects. Specific tools were designated and resources identified to implement these tactics. These tactics ranged from salting projects, in which union workers attempt the organization of workers on nonunion jobs, to actively pursuing appointments to influential public and political boards.

This strategic plan has been in place for almost five years. The BTC Business Manager, who facilitated the development of the plan, and his successor have worked diligently to stay the course outlined in plan implementation. The results of this strategic plan development and implementation have been a complete turnaround in the BTC's operation and effectiveness. Rather than reacting to dwindling market share issues, fighting division among the member unions, and rebutting a negative public image, the BTC has strategically positioned itself to make inroads to address these issues proactively. The results have been extraordinary. In a time of dwindling union importance, the unions serviced by this BTC have markedly increased market share, unified to develop a number of significant construction site project agreements, and greatly improved their public image. An example of one way in which the BTC has implemented tremendous change is a tool adopted to implement the tactic "to publicize training, skills, and manpower." The tool was to "develop minority and women outreach programs." The BTC worked with a university to configure a very successful twelve-week course for minority and women construction contractors. In addition, the BTC developed a unique training program through which women and minorities are trained for and placed in apprenticeship programs of affiliate union members. These programs have helped the BTC to carry out the strategy to improve public image and political influence. The BTC and its union are now viewed as cooperating with women and minorities and having an inclusive agenda. New partnerships with these interest groups have been formed, and the BTC and unions are viewed as necessary vehicles for many employers to meet equal employment and affirmative action goals.

The BTC case offers a good example of how beneficial a strategic planning effort can be to a labor organization. In addition to the benefits noted above, there are additional capacity building benefits to be derived that relate to successful partnership between labor and management. After going through the planning process itself, the labor organization is prepared to undertake a joint strategic planning effort and to do so on an equal footing with management.

Under such circumstances, a union may even be in a position to initiate such a process. It is important to note, however, that in the case of the BTC, strong leadership was crucial to that organization's ability to successfully engage in its own strategic planning process. Strategic planning can be a complement to, but is never a substitute for, able leadership (Bryson 1995).

B. Case 2: Initiating a Partnership Through Joint Strategic Planning

A second case involves the management and union local of a chemical plant in the southeastern United States. The plant had been acquired by a larger corporation with a strong emphasis on total quality. There was considerable concern on the part of both labor and management about the future. This mutual concern acted as the impetus for a partnership. Both sides recognized that, under the circumstances, their best hope for a brighter future was in developing a joint vision for the company.

About a year ago, the company formed a joint labor-management partnership team. The team consisted of equal representation from the union and management, and included the plant manager and the union president. Their first activity was to call upon the labor-management center at a public university to facilitate a joint strategic planning effort. Over a two-day period, the university facilitator put the group through a full-scale strategic planning process.

The strategic planning model used was Bryson's Strategy Change Cycle, which was selected for its comprehensiveness and its community-building orientation. This model is designed to guide public and nonprofit organizations through strategic planning and management, though its ten step process is flexible and highly adaptable to private organizations as well (Bryson 1995). Bryson's recommended ten steps are:

1. Initiate and agree upon a strategic planning process.
2. Identify organizational mandates.

3. Clarify organizational mission and values.
4. Assess the organization's external and internal environments to identify strengths, weaknesses, opportunities, and threats.
5. Identify the strategic issues facing the organization.
6. Formulate strategies to manage these issues.
7. Review and adopt the strategic plan or plans.
8. Establish an effective organizational vision.
9. Develop an effective implementation process.
10. Reassess strategies and the strategic planning process. (Bryson 1995, p. 23)

This model emphasizes "strategic thinking and acting" during planning, rather than adherence to a strict planning method (Bryson 1995, p. 22). The processes of implementation and evaluation should ideally occur during the course of planning, not only at the conclusion. Bryson's model also emphasizes the necessity of meeting the demands of major stakeholders. The success of the strategic plan is often dependent on their crucial support.

Thus, this case study group began by identifying the mandates under which they operate. Then they conducted a stakeholders analysis and explored their mutual values on the way to preparing a mission statement. Their mission statement captures the spirit of collaboration engendered by the effort: "We, the employees…, strive to be the industry leader for the manufacture of [a specific chemical compound], while working to achieve excellence in safety, environment, quality, customer delight, employee enhancement, and financial success" (Lyons 1997, personal notes). Their mandates and mission put them on firm ground in understanding who they are and their purpose as a partnership and as a company.

The group then developed joint goals and used these to help themselves write a vision statement that set their future course: "To be [a] premiere global producer…through the cooperative partnership between the Company and the Union to achieve manufacturing excellence and serve the needs of our stakeholders" (Lyons 1997, personal notes). It should be noted here that the group defined "stakeholders" as all who have a vested interest (financial and emotional) in their activities. Their stakeholders list included customers, workers, corporate stockholders, employees' families, and the local community, among others.

The joint strategic planning group then identified future opportunities and threats anticipated from the larger environment, and the current strengths and weaknesses of their organization. This identification of opportunities and threats put them in a position to be able to engage in serious planning for the firm's future.

The Strategy Change Cycle focuses on "strategic issues" as its basis for planning activity. Strategic issues are crucial challenges facing the organization over the ensuing five years (Bryson 1995). The joint strategic planning group identified five strategic issues that it wished to pursue over its first planning cycle. It then developed a set of strategies and specific tactics for each issue. At the close of the second day of the joint planning effort, the group had developed a strategic plan for the company that embodied the interests of both management and the union in a seamless way. The university facilitator left the group with information on how to develop detailed action plans for each tactic in their plan. These action plans serve as the link between the plan and its actual implementation. They provide the detail regarding step-by-step execution of each tactic, resources required, timing, and responsibility that are essential to plan accomplishment.

This particular partnership is just getting started. However, it has already demonstrated that labor and management can come together as equals and create a viable plan for their organization that reflects their mutual interests. They have laid the groundwork for an ongoing partnership.

C. Case 3: Combining Collective Bargaining and Strategic Planning

In another case study, a chemical company located in the Midwest and its four unions began the strategic planning process for a full partnership by negotiating an addendum to the collective bargaining agreement in 1996 that sets out the formation of a joint steering committee (JSC) (Donald 1998). The Addendum was negotiated by joint participation of labor and management, which were each represented by their respective negotiating committees. This Addendum, which was adopted through the traditional structured and equitable collective bargaining process, provides for the formation of a JSC comprised of five union-designated and five management-designated employees to facilitate an employee involvement program.

The Addendum also calls for the creation of employee involvement committees (EICs) comprised of seven bargaining unit employees and one manager within each department. According to the Addendum, the goal of each EIC is to implement creatively the team production process in a manner which reduces unit costs, increases productivity, solves specific problems identified by the Company or the JSC, and strives to make the plant more productive than competitors. By majority vote, an EIC may initiate pilot programs to experiment with operating rules regarding shift schedules, overtime, work assignments, training, qualifications, skill levels, and the ultimate composition of teams. The Company must approve any pilot program that is not cost neutral. When an EIC is satisfied that its approach will achieve the parties' mutual goals, the recommendation for change is submitted to a vote of the bargaining unit employees in the effected department. If approved, the recommendation is submitted to the JSC. The JSC provides oversight to the employee involvement program and review all EIC recommendations. When the JSC considers an EIC recommendation, one union and one management representative each, designated by the EIC whose proposal is being considered, augment the JSC membership as nonvoting members. If the EIC recommendation divests any of the four unions of any work jurisdiction, an affirmative vote of eight members of the JSC is required.

Through the assistance of an outside facilitator, the JSC used strategic planning to develop a mission and objectives for the partnership. The mission of the JSC is to "provide leadership for the design, development, and implementation of the employee involvement concept" for the plant. The five objectives are as follows: "to achieve trust, openness, and honesty with the people of the plant; to enhance the opportunity for our future security; to design, develop, communicate, and implement the EIC concept; to have the best union-management alliance in the industry; and to walk the talk and measure and report our results. The JSC also established certain "norms of behavior" to guide member behavior while planning and implementing the partnership. These twenty-one norms include such practical criteria as "everyone's ideas have value" and "learn from the past, don't relive it." The JSC has regularly scheduled meetings conducted by an outside facilitator to continue strategic planning and implementation.

This partnership between labor and management, which is codified in the Addendum and in the mission, objectives, and norms of the JSC, has resulted in some major changes and improvements. First, the company and unions now have a joint hiring committee that has hired the last eight or so union employees. Second, the unions are actively participating with management in the recruitment and hiring process for a new manager of human resources. Third, the unions participated with the company in the development of the sexual harassment policy. Fourth, two areas of the plant, the utility and compound departments, are now self-directed. In these departments, union employees make the day-to-day decisions once made by management and perform routine functions such as calling union members for overtime and making routine purchases. Although the JSC has experienced some problems with maintaining continuity and agreement of purpose, both labor and management representatives affirm that union workers are much more involved in the workplace and sense an ownership of the joint enterprise.

This case study is an example of the parties utilizing conventional collective bargaining first to define their partnership. By including the initial framework of the partnership in a document subject to the legally binding grievance arbitration system, the union was assured of management's commitment to this process. After establishing this framework, the parties utilized strategic planning to develop the partnership to be responsive to the needs of the workplace. This model incorporates the finer elements of both collective bargaining and strategic planning to build a genuine partnership.

V. Implications for a Successful Partnership

These cases demonstrate how joint strategic planning can address the barriers faced by most employee involvement programs: lack of trust and sincerity among participants; lack of comprehensiveness and intensity of the involvement effort; lack of program maintenance and self-evaluation; and an emphasis on company goals at the expense of union goals. The cases also suggest that particular conditions are vital for a labor-management strategic planning partnership to prosper. For one, effective leadership is essential. Committed individuals from both labor and management must be willing to push the process along. These individuals must have the influence and communication skills to convince others to contribute to the effort. Although upper management must genuinely subscribe to the idea of a partnership, interest and sincerity must also be present on the union side so that the planning process will not be solely management-driven. The commitment of labor and management leaders is required so that necessary resources, such as time, money, and personnel, will be available to planning and implementation groups. A fully committed leadership helps ensure that the planning partnership will not be a “half-effort,” but will have the full support of the organization to achieve its desired goals.

We also suggest that it is beneficial for unions to participate in their own strategic planning before joining labor-management strategic planning. Union planning allows union members to identify their own goals and the means to achieve them, and it may also prepare the union to participate in a joint process when an opportunity for labor-management strategic planning arises. Labor can be a more effective planning partner because union members will have firsthand knowledge and experience of strategic planning. A union can more easily incorporate its own concerns in a strategic plan if those concerns have already been identified and organized in a union’s strategic plan. It may also be possible for a union to initiate the joint strategic planning process or for a company and union to merge strategic plans.

Labor and management can consider formalizing their intent to develop a genuine partnership by incorporating the basic conditions for that effort in the collective bargaining agreement. By inclusion of the basic arrangement in the contract, each party has assurance of the other’s intent and commitment when they enter into strategic planning. This hybrid of collective bargaining and strategic planning is, perhaps, most effective in mainline unionized industries in which most major changes have historically been brought about at the negotiating table.

It is also evident that an outside facilitator can be quite beneficial to a joint strategic planning effort. A neutral facilitator, perhaps connected to a university, may be able to provide a neutral site for planning meetings. A facilitator may also contribute structure to the planning process, can keep the proceedings on track when conflict arises, and can serve as a resource for strategic planning and labor-management relations. It is important that the facilitator have the trust of both labor and management. To gain this trust, the facilitator must be perceived as neutral and not biased in favor of either labor or management.

The best strategic planning can fall apart amidst the petty in-fighting of labor and management. Therefore, establishing “norms of behavior” as exemplified in the third case study can keep the partnership on track. Although such ground rules may seem elementary, they provide a focus for the facilitator to maintain order in the planning process.

Of fundamental importance in a strategic planning partnership is an emphasis on implementation. Implementation of the plan must also be a joint effort. Strategic planning and management is an ongoing *process*, rather than a distinct event. Because of the nature of an ongoing process, participants need a long-term rather than a short-term focus. This will also be necessary to determine the general success of a plan. Although plan implementation may begin during the planning stage itself, the benefits of a full partnership may not be immediately apparent. Unlike short-term results, long-term results often have staying power. Ultimately, the goal of joint strategic planning and management is a long-lasting, effective partnership between labor and management. A planning partnership can evolve into a partnership in many different areas, especially when a joint strategic plan requires joint implementation. Strategic planning partnerships may also repeat themselves in future cycles of strategic planning.

VI. Conclusion

Previous attempts at employee involvement have not been uniformly successful, and it is clear that a new, more realistic approach is needed. Various employee involvement programs have striven to overlay an existing organizational structure with new cooperative responsibilities and dogma. Our suggested approach, strategic planning partnerships, has a particular advantage in this regard over other employee involvement methods. Through its comprehensive nature, strategic planning can reconstruct an organization, and through a planning partnership, the resulting plan is a jointly-designed, jointly-supported project. Strategic planning is often an activity that companies will undertake regardless of whether labor is involved, and this planning is usually quite beneficial to an organization, whether or not the planning process is a joint labor-management effort. However, when a company intends to formulate a strategic plan, it is presented with an excellent opportunity to initiate true employee involvement, to forge a partnership with labor, and to design a stronger, more encompassing plan than would have resulted otherwise.

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