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An Exploration of Enterprise Level Partnership and the Influences Informing Private Sector Organisations Choice of this Model in the Republic of Ireland

Kevin O'Leary
Technological University Dublin

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An Exploration of Enterprise Level Partnership and the Influences Informing Private Sector Organisations' Choice of this Model in the Republic of Ireland

Kevin O’Leary

Thesis submitted for fulfilment of the award of
Master of Philosophy Degree
(MPhil)

Dublin Institute of Technology

Supervised by:
Serge Basini
School of Marketing

July 2006
Declaration

I certify that this thesis which I now submit for examination for the award of Master of Philosophy degree (MPhil), is entirely my own work and has not been taken from the work of others save and to the extent that such work has been cited and acknowledged within the text of my work.

This thesis was prepared according to the regulations for postgraduate study by research of the Dublin Institute of Technology and has not been submitted in whole or in part for an award in any other Institute or University.

The work reported on in this thesis conforms to the principles and requirements of the Institute's guidelines for ethics in research.

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Candidate
Abstract

The research follows the strategic choice of Partnership and seeks to gain an understanding of the processes and practices which define this concept and the political, economic and historical influences which have shaped it’s evolution. The primary focus of this study is to explore the factors which have shaped the decision of private sector employers to engage with or to reject Partnership as an appropriate model. The literature and the surveys consulted suggest that Partnership has not become an established or mainstream activity and reflects singularly low levels of uptake despite being actively promoted by Government and it’s social partners. The findings suggest that Partnership is not a model of choice for employers but is often imposed by adverse circumstances, sometimes embraced opportunistically as a solution to intractable industrial relations problems and sometimes engaged in nominally without the spiritual commitment to true Partnership values. The study gleans data from private sector organisations, where enterprise level partnership as defined by the Partnership 2000 Agreement, is an optional choice for employers. Working within the interpretive paradigm, qualitative in-depth interviews are the chosen means of enquiry. The findings, in addition to highlighting sometimes reluctant engagement by organisations also identify significant ideological opposition in other organisations to Partnership as a model which extends trade union voice. A well developed commitment to HRM process and values was evident in organisations rejecting the Partnership option. This appeared as vindicating the organisation’s choice not to engage on the basis that many of the common principles shared in the Partnership model are actively promoted and reflected in an affirmative HR based employee culture created by the organisation.

The study confirms that enterprise level Partnership, conceived by the Partnership 2000 Agreement, underpinned by a persuasive rhetoric, promoted by Government through the National Centre for Partnership and subsequently the National Centre for Partnership and Performance, has not become an established model largely due to resistance by organisations to sharing power and influence in strategic decision making.
Acknowledgements

I wish to thank my supervisor Serge Basini for his encouragement and support, for the excellence of his guidance, for his generosity and endurance beyond expectation and for the energy and insight he brought to the process.

To my partner, Mary, for whom all things are possible.

To my son, David the challenge of a post-graduate qualification has been presented.

To my colleagues in Dublin Institute of Technology who offered much appreciated advice and goodwill in particular Seamus Kelly.

To Dr. Robbie Burns my former Head of School who kindly facilitated the application process.

To the organisations who provided access and information and the busy senior executives who made time in their busy and pressurised schedules.
List of Tables

Table 1.0 Employee Participation at Board level in EEC member states, 1980
Table 1.1 Representative participation at plant level in EEC Member States, 1980
Table 1.2 Annual days lost to industrial action in Ireland 1970-2003
Table 1.3 Range of HRM and Manufacturing strategy initiatives
Table 2.0 Real take home pay of PAYE workers 1980-1993
Table 2.1 Comparison of tax/ social security in Euro Zone 1999
Table 2.2 Days lost to Industrial Disputes 1979-2000
Table 2.2.1 Days lost to unofficial industrial disputes 1980-1985
Table 2.3 Common principles and practices evident in a list of UK definitions
Table 2.4 Stereotypes of Personnel and Human Resource Management
Table 2.4.1 The Guest model of HRM
Table 2.4.2 The Storey model of PIR and HRM- the differences
Table 2.5 Incidence of formal partnership by company
Table 2.5.1 Areas/initiatives of employee participation
Table 2.5.2 Forum Survey 2003- extent of partnership and participation in the workplace
Table 2.5.3 Partnership involvement
Table 2.5.4 Forum survey 2003 Extent of partnership arrangements in the public/private sector
Table 2.5.5 Agencies involved in Partnership
Table 2.5.6 Areas of Partnership
Table 2.5.7 Key partnership objectives
Table 2.5.8 Effectiveness of partnership in achieving objectives
Table 2.5.9 Sources of opposition to partnership strategy
Table 2.6 The Unitarist and Pluralist view of interests, conflict and power
Table 2.6.1 Personnel Management and Industrial relations –the differences
Table 3.1 Assumptions of the two main paradigms
Table 3.2 main differences between inductive and deductive approaches
Glossary of Terms

ACAS - Advisory, Conciliation and Arbitration Service
ATGWU - Amalgamated Transport and General Workers Union
CSO - Central Statistics Office
CBI - Confederation of British Industry
EBR - Exchequer Borrowing requirement
FDA - Food and Drug Authority
FWUI - Federated Workers Union of Ireland
GDP - Gross Domestic Product
GNP - Gross National product
HRM - Human resource Management
IBEC - Irish Business and Employers Confederation
IBOA - Irish Bank Officials Association
ICT - Information and Communications Technology
ICTU - Irish Congress of Trade Unions
IPA - Involvement and Participation Association
IR - Industrial Relations
MNC - Multinational Corporation
MPGWU - Marine Port and General Workers Union
NCP - National Centre for Partnership
NCPP - National Centre for Partnership and Performance
NUM - National Union of Miners
P 2000 - Partnership 2000
PACT - Partnership in Action Training
PCW - programme for Competitiveness and Work
PESP - Programme for Economic and Social progress
PMDS - Performance Management Development System
PNR - Programme for National recovery
PPF - Programme for Prosperity and Fairness
PRP - Performance Related Pay
SIPTU - Services, Industrial and Professional Trade Union
TUC - Trade Union Congress
WCM - World Class Manufacturing
# Table of Contents

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Table of Contents</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Declaration</td>
<td>I</td>
</tr>
<tr>
<td></td>
<td>Abstract</td>
<td>II</td>
</tr>
<tr>
<td></td>
<td>Acknowledgements</td>
<td>III</td>
</tr>
<tr>
<td></td>
<td>List of Tables</td>
<td>IV</td>
</tr>
<tr>
<td></td>
<td>Glossary of Terms</td>
<td>V</td>
</tr>
<tr>
<td></td>
<td>Chapter 1 – Introduction: The Context of Partnership Emergence</td>
<td></td>
</tr>
<tr>
<td>1.0</td>
<td>Introduction</td>
<td>1</td>
</tr>
<tr>
<td>1.1</td>
<td>Enterprise Level Partnership – A Definition</td>
<td>1</td>
</tr>
<tr>
<td>1.2</td>
<td>Historical Influences</td>
<td>2</td>
</tr>
<tr>
<td>1.2.1</td>
<td>EU influences and historic origins</td>
<td>3</td>
</tr>
<tr>
<td>1.2.2</td>
<td>Two Tier Boards and Work Councils in Post War Germany</td>
<td>3</td>
</tr>
<tr>
<td>1.2.3</td>
<td>Germany- Two Tier Boards and Participation at Board Level</td>
<td>5</td>
</tr>
<tr>
<td>1.2.3.1</td>
<td>Co-Determination Act of 1951</td>
<td>5</td>
</tr>
<tr>
<td>1.2.3.2</td>
<td>Works Constitution Act 1952</td>
<td>5</td>
</tr>
<tr>
<td>1.2.3.3</td>
<td>Co-Determination Act of 1976</td>
<td>6</td>
</tr>
<tr>
<td>1.2.3.4</td>
<td>Work Councils and Participation at Plant Level</td>
<td>6</td>
</tr>
<tr>
<td>1.3</td>
<td>The Irish Response</td>
<td>6</td>
</tr>
<tr>
<td>1.4</td>
<td>The Return to Centralised Pay Bargaining</td>
<td>10</td>
</tr>
<tr>
<td>1.5</td>
<td>Employer/Union Position</td>
<td>11</td>
</tr>
<tr>
<td>1.6</td>
<td>ICTU and Emerging Policy Influences</td>
<td>12</td>
</tr>
<tr>
<td>1.7</td>
<td>Partnership 2000 Agreement</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>Chapter 2 – Literature Review</td>
<td></td>
</tr>
<tr>
<td>2.0</td>
<td>Introduction</td>
<td>17</td>
</tr>
<tr>
<td>2.1</td>
<td>Partnership – Influences</td>
<td>17</td>
</tr>
<tr>
<td>2.1.1</td>
<td>Factors indicating the extent of difficulties to be confronted</td>
<td>19</td>
</tr>
<tr>
<td>2.1.2</td>
<td>PNR – Government Pledges</td>
<td>20</td>
</tr>
<tr>
<td>2.1.3</td>
<td>Beneficial effects of the Early Agreements, the PNR and PESP</td>
<td>20</td>
</tr>
<tr>
<td>2.1.4</td>
<td>Progress under the PCW and P2000</td>
<td>21</td>
</tr>
<tr>
<td>2.2</td>
<td>Trade Union Response to Partnership</td>
<td>22</td>
</tr>
<tr>
<td>2.2.1</td>
<td>Levers of Change within the Trade Union Movement</td>
<td>23</td>
</tr>
<tr>
<td>2.2.2</td>
<td>Dissenting Voices within the Trade Union Movement</td>
<td>25</td>
</tr>
<tr>
<td>2.2.3</td>
<td>Partnership as Pragmatism</td>
<td>29</td>
</tr>
<tr>
<td>2.3</td>
<td>Other Economic Benefits</td>
<td>30</td>
</tr>
<tr>
<td>2.4</td>
<td>Partnership at National Level - the Employers View</td>
<td>33</td>
</tr>
<tr>
<td>2.4.1</td>
<td>Reduction in Days Lost due to Industrial Disputes</td>
<td>33</td>
</tr>
</tbody>
</table>
Chapter 3 - Research Methodology

3.0 Introduction 124
3.1 Research Question 124
3.1.1 Objectives 124
3.1.2 Rational for Research 124
3.2 Research Paradigm 125
3.2.1 Research Philosophy 125
3.2.2 Research Strategy and Purpose 129
3.2.3 Research Approach 131
3.2.4 Justification of Research Paradigm 132
3.3 Sampling 138
3.3.1 Generalisibility of Non-Probability Sampling 139
3.3.2 Sample Organisations 139
3.3.3 Selection of Interviewees 142
3.4 Sampling Approach 142
3.4.1 Critical Case Sampling 143
3.4.2 Extreme Case or Deviant Sampling 143
3.4.3 Typical Case Sampling 144
3.5 Ethical Considerations 144
3.6 Data Collection 144
3.7 Research Design 146
3.7.1 Data Interpretation – Hermeneutics 146
3.7.2 Autonomy of the Text 147
3.7.3 Hermeneutics Circle 148
3.7.4 Bracketing 148
3.7.5 Interpretative Group 149
3.7.6 Fusion of Horizons 149
Chapter 4 – Research Findings

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.0 Introduction</td>
<td>151</td>
</tr>
<tr>
<td>4.1 A threat to continuity of the Organisation</td>
<td>151</td>
</tr>
<tr>
<td>4.1.1 A threat to continuity – Commentary</td>
<td>154</td>
</tr>
<tr>
<td>4.2 Industrial Relations History</td>
<td>156</td>
</tr>
<tr>
<td>4.2.1 Union Influence in the Emergence of Partnership</td>
<td>161</td>
</tr>
<tr>
<td>4.2.2 Long Standing Relationship of Trust Developing organically</td>
<td>163</td>
</tr>
<tr>
<td>4.2.3 Industrial Relations History – Commentary</td>
<td>163</td>
</tr>
<tr>
<td>4.3 The Emergence of Key Influencers</td>
<td>166</td>
</tr>
<tr>
<td>4.3.1 Key Influencer Effect - Positive</td>
<td>166</td>
</tr>
<tr>
<td>4.3.2 Key Influencer Effect - Negative</td>
<td>169</td>
</tr>
<tr>
<td>4.3.3 Key Influencer Effect - Neutral</td>
<td>172</td>
</tr>
<tr>
<td>4.3.4 The Emergence of Key Influencers – Commentary</td>
<td>173</td>
</tr>
<tr>
<td>4.4 Positioning and Engagement of HRM Principles</td>
<td>176</td>
</tr>
<tr>
<td>4.4.1 The Role of Communications in Employee Relationships</td>
<td>179</td>
</tr>
<tr>
<td>4.4.2 HRM Commentary</td>
<td>183</td>
</tr>
<tr>
<td>4.5 Power and Control</td>
<td>184</td>
</tr>
<tr>
<td>4.5.1 The Right to Manage</td>
<td>185</td>
</tr>
<tr>
<td>4.5.2 Power Dynamics in Sample Organisations</td>
<td>188</td>
</tr>
<tr>
<td>4.5.3 The Right to Manage – Country of Origin Effect</td>
<td>189</td>
</tr>
<tr>
<td>4.5.4 Power - Commentary</td>
<td>191</td>
</tr>
<tr>
<td>4.6 Findings by Partnership Organisation</td>
<td>195</td>
</tr>
<tr>
<td>4.6.1 Organisation IM</td>
<td>195</td>
</tr>
<tr>
<td>4.6.2 Organisation FS2</td>
<td>200</td>
</tr>
<tr>
<td>4.6.3 Organisation MM1A</td>
<td>204</td>
</tr>
<tr>
<td>4.7 Conclusion</td>
<td>205</td>
</tr>
</tbody>
</table>

Chapter 5 – Conclusions

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.0 Partnership Organisations</td>
<td>206</td>
</tr>
<tr>
<td>5.1 Non-Partnership Organisations</td>
<td>208</td>
</tr>
<tr>
<td>5.2 The Future of Partnership</td>
<td>211</td>
</tr>
<tr>
<td>5.3 Recommendations for further research</td>
<td>215</td>
</tr>
</tbody>
</table>

Appendices

Appendix 1 - Key Influences where organisations have chosen Partnership 217

Appendix 2 - Key Influences where organisations have chosen not to engage with Partnership 218

References 219
Chapter 1
CHAPTER 1 - THE CONTEXT OF PARTNERSHIP EMERGENCE

1.0 INTRODUCTION

While Partnership is an international theme in the field of Industrial Relations this thesis will focus on the Irish experience and some of the unique and specific influences that have defined the concept and characterised it's application. While the evolution of National Social Partnership and it's expansion in the Partnership 2000 Agreement to include the concept of the Enterprise Level Partnership will be considered, the primary focus will be to explore the choice employers have made in accepting or rejecting Enterprise Level Partnership as an appropriate strategy for managing the employer/employee relationship and to consider the specific influences which have informed that choice.

1.1 ENTERPRISE LEVEL PARTNERSHIP – A DEFINITION

To achieve an understanding of what Enterprise Level Partnership means in this context it is appropriate to consider the definition from the Partnership 2000 Agreement for Inclusion, Employment, and Competitiveness;

Partnership is an active relationship based on recognition of a common interest to secure the competitiveness, viability, and prosperity of the enterprise. It involves a continuing commitment by employees to improvements in quality and efficiency, and the acceptance of employees as stakeholders with rights and interests to be considered in the context of major decisions affecting their employment.

(Partnership 2000 Agreement, 1996 Sec. 9.8 p. 62)

Section 9.9 of the Agreement provides further insights;

Partnership involves common ownership of the resolution of challenges, involving the direct participation of employees/representatives and an investment in their training, development and working environment.

(Partnership 2000 Agreement, 1996 Sec. 9.9 p. 62)

In this definition employees are now accepted as stakeholders by their employers while the trade unions recognise in reciprocal fashion the employers need for improvements in quality and efficiency. Important Employee Relations themes such as Employee Involvement and Participation are explicitly stated in the definition. A detailed and precise definition of these terms will be
offered in Section 2.7 and the substantially different meanings attached to these terms will be explored.

While these principles might appear aspirational and idealistic some discussion of the detail is necessary to fully understand the intent of the agreement in this regard. Specific topics appropriate for discussion at enterprise level are identified, ranging from:

- Employee involvement for competitiveness (opportunities for employees to be involved in, and contribute to meeting the challenges of global competition).
- Financial involvement.
- Problem solving and conflict avoidance.
- Developing a co-operative culture which facilitates a non adversarial approach to problems.

(Partnership 2000 Agreement, 1996 Sec. 9.8 p. 63)

The agreement is also very definite in its intent where it identifies the setting up of a National Framework and the establishment of a Centre for Partnership to promote the concept, disseminate best practice and provide technical support and training.

1.2 HISTORICAL INFLUENCES

The language of the P2000 definition is significant in the use of the word participation a term which reflects the ideals of worker democracy a concept associated with the 1970s and attempts to import norms and principles of corporate governance from Europe. In 1977 the Irish government enacted the Worker Participation (State Enterprises) Act. The Act provided for the election of four worker directors to the boards of the seven largest State bodies. The worker directors would constitute one third of the main board. In 1980 further legislation followed which extended the initiative to 40 additional State and Semi-State bodies.

Part of the rationale for the introduction of legislation in the public sector was the creation of a model or a template for the private sector and the consequential trickle-down effect which would likely follow.
1.2.1 EU Influences and Historic Origins in Europe

The introduction of this legislation was a response to the European Commission's proposals for a Fifth Directive on the harmonisation of company law. Its proposals for a European Company Statute have underlined the importance of employee participation and the elaboration of the rights and concomitant responsibilities attaching to such representation. The commission had acknowledged, however, that progress in this area needed to await the outcome of debate, trial and possible compromise.

The draft European Company Statute outlined a new transnational form of corporation structure governed by directly applicable Community law which would have in addition to the shareholders meeting and a board of senior management responsible for the day to day running of the company, a supervisory board on which representatives elected by shareholders would share power with representatives chosen from a European Works Council operating at company level.

1.2.2 Two-Tier Boards and Works Councils in Post War Germany

The concept of two-tier boards and works councils was a common model in Europe's more developed economies. Their origins date back to post-war Germany.

There appear to be a number of different explanations for the introduction of this particular model of corporate governance which was quite unprecedented in Europe.

One supported by German Industrial Relations expert Wolfgang Streeck as cited by Winch (1998) holds that;

It was established by the allies in order to limit the power of the industrial magnates who had supported Hitler'. Circumstantial evidence supporting this theory comes from the fact that Ernest Bevin, British Foreign Secretary from 1945 was a strong supporter of industrial democracy and was active as Foreign Secretary in the post-war reconstruction of Germany.

(Winch 1998 p.2)

Bevin had played an important role in the acceptance of the Marshall Plan. Bevin’s background as Trade union official, General Secretary of the National Transport Workers Federation, member of
the general council of the TUC and ultimately Minister of Labour in Churchill’s 1940 coalition
government was no doubt a powerful influence in shaping his attitudes on industrial democracy.

An alternate possibility was the other view proposed by Winch (1998) was that;

\[\text{It was developed and encouraged by Conrad Adenauer in accordance with the Christian Democratic}
\text{ideology. This ideology was in turn influenced by the political economy of the nineteenth century writer}
\text{Friedrich List which emphasised social inclusion and co-operation as a key element in economic}
\text{development.}
\]

(Winch, 1998, p.2)

Some of this thinking is evident in the Weimar Republic established in 1919 in the aftermath of
World War 1. The emerging republic was characterised by an exuberant zeal for democracy in its
early years. Among the new democratic rights proposed for the new republic was economic
democracy. It seemed to liberal thinkers that political democracy as it existed in England and the
United States was not sufficient but that democracy should also extend to the workplace.

Free human beings they reasoned who are sufficiently capable of electing political leaders should
also be capable of participating in the decision making process at their place of work. Works
councils were established and were recognised in law by 1920. This system of co-determination
came to an end when the fascists came to power. In 1949 post WW2 Germany embarked on
another attempt at democracy. The ideals of economic democracy had not been forgotten and in
1951 co-determination laws were reintroduced.

One cannot ignore the likely influence of the Marshall plan which Wangleiter (1999:3) identified
as ‘promising to abolish class conflict, not through redistribution, but through economic growth,
the solution of social problems through supposedly ideology free social engineering’.

Winch (1998:2) ultimately concludes ‘Whatever the truth of the matter, it appears that the system
was instituted in favourable circumstance, with at least the approval of the allies and that it was
well suited to the consensual working out of conflict and economic life in Germany’

1.2.3 Germany-Two-Tier Boards and Participation at Board Level

The concept finds it’s first expression in German Legislation.
1.2.3.1 Co-Determination Act of 1951

Applied to:
Coal, iron and steel companies employing 1000 +
Main features:
Equal representation with shareholders on Supervisory board, neutral chairman. Management board must include a labour director who cannot be appointed against the wishes of the employee representatives.
Electoral details:
On a board containing 11 members two of the labour representatives are elected by the works council. Two are elected by the central organization of the internal trade unions. An additional representative is appointed by the trade unions who cannot be an employee or union member.

1.2.3.2 Works Constitution Act 1952

Applied to:
Joint Stock and Limited Liability companies employing 500 +
Main features:
One third employee representation on the supervisory board.
Electoral details:
Candidates for election may be nominated by the works council and by employees.

1.2.3.3 Co-Determination Act of 1976

Applies to:
Joint Stock and Limited Liability companies employing 2000 +
Main features:
The supervisory board consists of equal numbers of shareholder and employee representatives. Both sides jointly elect from their number, a Chairman and Deputy Chair, one from each side.
Electoral details:
In a 20 member board the 10 employee reps include 6 elected by the workforce, 3 nominated by
the trade unions and one senior executive nominated by the unions.

1.2.3.4 Germany - Works Councils and Participation at Plant Level, Works Constitution Act of 1972

(Works councils or consultative committees at plant level as opposed to board level).

Applies to:
Every private industrial firm with five or more employees must have a council.

Main features:
In undertakings with more than one establishment a central council must be set up.

Electoral details:
Members elected by all employees over 18.

Responsibilities and powers:
Co-Determination rights in social policy, personnel measures, measures affecting individuals, economic affairs. Consultation rights over safety, production planning, manpower planning, training programmes. Information rights on construction, personnel planning, economic affairs of the company.

(Source; Worker Participation-A Discussion Paper, 1980, p. 71-87)

1.3 THE IRISH RESPONSE

In 1980 the then Dept. of Labour (currently Enterprise and Employment) published a discussion paper entitled Worker Participation, with a foreword by the Minister for Labour Gene Fitzgerald. The foreword opens as follows;

The Government committed itself before the last General Election to the promotion of meaningful participation by workers in the discussions affecting their working lives. This is part of our overall strategy for social and economic advancement

(Fitzgerald, 1980, Foreword)

The discussion paper was published against a backdrop of significantly well developed models in other EEC (EU) countries as outlined below where employee participation at board level and at works council level had become the norm.
Table 1.0
Employee Participation at Board level in EEC member states, 1980

<table>
<thead>
<tr>
<th>Country</th>
<th>Participation Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Netherlands</td>
<td>Two Tier Boards</td>
</tr>
<tr>
<td>France</td>
<td>Single Tier but worker participation at board level</td>
</tr>
<tr>
<td>Belgium</td>
<td>No legislative provision but agreed representation at Board level in the public sector</td>
</tr>
<tr>
<td>Luxemburg</td>
<td>Single tier but worker representation at board level in certain companies</td>
</tr>
<tr>
<td>Italy</td>
<td>No legislative provision</td>
</tr>
<tr>
<td>Denmark</td>
<td>Two Tier Boards</td>
</tr>
<tr>
<td>Germany</td>
<td>Two Tier boards</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>No legislative provision</td>
</tr>
<tr>
<td>Ireland</td>
<td>Single tier with participation at board level in certain public sector companies</td>
</tr>
</tbody>
</table>

(Source, Dept of Labour 1980, p.71)

The two-tiered board system was paralleled at the operational level with statutory enforcement of works council structures in some cases with powers of codetermination of decision-making in specified areas.
Table 1.1
Representative participation at plant level in EEC Member States, 1980

<table>
<thead>
<tr>
<th>Country</th>
<th>Method of Participation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Netherlands</td>
<td>Statutory Works Councils where a minimum 100 employees</td>
</tr>
<tr>
<td>Denmark</td>
<td>Agreement between employers and unions on councils where a</td>
</tr>
<tr>
<td></td>
<td>minimum of 100 employees</td>
</tr>
<tr>
<td>France</td>
<td>Statutory councils where a minimum of 50 employees</td>
</tr>
<tr>
<td>Germany</td>
<td>Statutory councils where a minimum of five employees</td>
</tr>
<tr>
<td>Belgium</td>
<td>Statutory councils where a minimum of 100 employees</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>No legislation or formal agreements</td>
</tr>
<tr>
<td>Italy</td>
<td>Internal committees where a minimum of 40 employees</td>
</tr>
<tr>
<td>Ireland</td>
<td>No legislation or formal agreements</td>
</tr>
</tbody>
</table>

(Source Dept of Labour 1980, p. 77)

The Minister asserted a belief that worker participation would be the basis for a new social order with the potential to escape the old conflicts of Capital and Labour;

In a rapidly developing industrial society we must find a new order, not based on the old class concept, but designed to reconcile the demands for social justice and individual freedom with modern industrial development and technology. Worker participation is a step in this direction.

(Fitzgerald 1980 p. 15)

The new order envisaged foresaw the worker as stakeholder, an ambition which would have to wait a further 14 years before achieving at least explicit acceptance by the Social Partners in the Partnership 2000 Agreement;

Workers by virtue of their labour input contribute to the development and prosperity of their firm and consequently they have a vital interest in its day-to-day operation. Their future and their families' future depend on the successful operation and management of their company.

(Fitzgerald 1980, p.16)

Some form of employee participation was also identified as being a panacea to the high level of conflict which had been a feature of industrial relations throughout the 1970s.
Table 1.2

Annual days lost to industrial action in Ireland 1970-2003

<table>
<thead>
<tr>
<th>Year</th>
<th>Days Lost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970</td>
<td>583,278</td>
</tr>
<tr>
<td>1971</td>
<td>317,078</td>
</tr>
<tr>
<td>1972</td>
<td>25,550</td>
</tr>
<tr>
<td>1973</td>
<td>61,212</td>
</tr>
<tr>
<td>1974</td>
<td>25,550</td>
</tr>
<tr>
<td>1975</td>
<td>130,100</td>
</tr>
<tr>
<td>1976</td>
<td>146,584</td>
</tr>
<tr>
<td>1977</td>
<td>74,584</td>
</tr>
<tr>
<td>1978</td>
<td>37,374</td>
</tr>
<tr>
<td>1979</td>
<td>215,582</td>
</tr>
<tr>
<td>1980</td>
<td>92,046</td>
</tr>
<tr>
<td>1981</td>
<td>114,613</td>
</tr>
<tr>
<td>1982</td>
<td>37,492</td>
</tr>
<tr>
<td>1983</td>
<td>21,357</td>
</tr>
</tbody>
</table>

(Source: Labour Relations Commission Report, 2003, p.17)

In 1979 1.46 million days had been lost to industrial action with the single greatest number of days accounted for by the 17 week strike at the then Dept. of Post and Telegraphs;

I believe also that worker's involvement will help reduce the tensions which often lead to industrial strife. Sometimes the real problem behind the dispute is the worker's sense of frustration at not being able to influence his or her working environment".

(Fitzgerald, 1980, p.5)

It could be argued that the rhetoric contained in the foreword and the publication of the discussion document were the extent of the ministers fulfillment of the stated election pledge. This view is reinforced by further extracts from the foreword where the Minister goes on to state;

My purpose in publishing this paper is to promote a public discussion and to provide a stimulus for all concerned private sector organisations, employers, trade unions and others engaged in the development of our social policies - to formulate their views on the subject".

(Fitzgerald 1980, Foreword)

(It must be noted, however, that the period following the publication was one of extreme political
instability where three general elections took place in a period of eighteen months).

It would take a further 11 years before any real progress was achieved in this area as reflected in the 1996 agreement ‘Partnership 2000 for Inclusion, Employment and Competitiveness’.

which reflects a major shift in attitudes among the parties in the face of new challenges to maintain international competitiveness.

1.4 THE RETURN TO CENTRALISED PAY BARGAINING

The economic difficulties of the 1980’s provide an unanticipated contribution to the worker participation agenda. The Programme for National Recovery (PNR) agreement between Government, Unions and Employers marked a return to centralised pay bargaining which had been abandoned in 1982. The move was in direct response to an economy on the verge of collapse in the face of burgeoning inflation, high unemployment, excessive interest rates and out of control Government borrowing reflected in the following statistics:

- GDP per capita at 64% of the EU average;
- National Debt equivalent to one and a half times GNP;
- Debt servicing consuming one third of consumer tax revenue;
- EBR of 10.7% of GNP amongst the highest budgetary deficits in the EU;
- Unemployment at 18.5% of GNP amongst the highest in the EU;
- High interest rates being a barrier to investment.

(Programme for National Recovery, 1987, p.5)

In the face of this adversity, a major departure from previous national agreements, was a new spirit of compromise and co-operation as Unions moderated their wage demands in exchange for commitment by Government on tax concessions, employment creation, the combating of inflation and other social investment promises.

Since then we have had six such agreements which can be summarised as follows:

- The PNR or Programme for National Recovery - which underlines the plight of an economy and society in deep trouble.
- The PESP or Programme for Economic and Social Progress implying a nation which could now aspire to progress and improvement rather than survival.
The PCW or the Programme for Competitiveness and Work showing an aspiration to compete as equals in the modern economy and deal with the previously intractable problems of unemployment and emigration.

Partnership 2000 for Inclusion, Employment and Competitiveness, jobs and economic progress still to the fore but with a new emphasis on social inclusion and how we share the fruits of economic success. An entirely new concept is the extension of the Partnership model to local enterprise level where employers and employees were encouraged to participate in projects of mutual interest and advantage.

The PPF or Programme for Prosperity and Fairness - concentrates on the problems of success and fairness in society.

Sustaining Progress reflecting a commitment to sustaining economic growth, maintaining high levels of employment and securing living standards for all.

While the concept of these agreements is an important element in explaining the evolution of Enterprise Level Partnership emanating from Partnership 2000, it is this radical proposal for a fundamental change in the nature of the employment relationship and the aspiration of a move toward employee participation in the private sector and the response of employers which will be the main theme of this thesis.

This is the first time we see an institutionalised arrangement for employee participation in the private sector endorsed not only by the Trade Unions and Government but more significantly by Employers. Not only is there agreement on the principle but also on the institutional framework and support to make it a reality. These support structures are clearly identified in Partnership 2000 and ratified by the parties. We must note of course that involvement in this process is purely voluntary and where the local employer and trade union agree to undertake such a partnership initiative.

1.5 THE EMPLOYER/UNION POSITION

Prior to the return to centralized pay bargaining in 1988 it would appear that the employers and unions were in no hurry to focus their minds on the challenge posed by the 1980 Worker Participation discussion paper. The earlier part of the decade was significant for the levels of industrial unrest and strikes which were often the product of local wage bargaining which lasted
The next significant benchmark event is the publication in 1991 of the FIE/ICTU (Federation of Irish Employers since merged with CII to become IBEC) "Joint Declaration on Employee Involvement in the Private Sector". This happened as a response to a request from a subsequent Minister of Labour, Mr. Bertie Ahern to both parties in 1990 to discuss worker participation in the private sector.

This is indeed a slim document running to all of eight pages which could imply that a great deal of inertia and ambivalence surrounded this issue for both parties. It appears to be little more than a discussion paper without any road map identifying the way forward or any further commitment or agreement on the next stage in advancing this particular agenda.

It could be argued that employers saw participation as a significant threat to a long-standing world view regarding their right to manage. They were simply not ready for what they saw as a significant dilution of their control and the inevitable democratisation of the workplace.

The unions were similarly uncomfortable with the possible erosion of their traditional power base in representing workers rights and acting as the direct interface with the employer.

1.6 ICTU AND EMERGING POLICY INFLUENCES

In 1993 ICTU published a report entitled New Forms of Work Organisation - options for unions. This report was commissioned by the Executive Council of ICTU to identify the strategic options open to Unions in responding to new forms of work organisation in manufacturing industry. A whole range of innovations in HRM and Manufacturing strategy were emerging which had implications for a wide range of issues within the trade union domain. Innovations such as:
These changes demanded new levels of skill, initiative and flexibility from employees who had traditionally carried out largely de-skilled jobs where high levels of union supported demarcation limited their opportunity for creativity and the exercise of initiative. The trade union movement would also have perceived new forms of direct communication and consultation as usurping their role.

Unions were unsure as to their response to this changing environment. Two consultants, John O'Hehir of PA Consulting Group and Flor O'Mahony, Public Affairs Advisors were commissioned by ICTU to carry out the study. The report and executive summary considered the following:

- The background and nature of new forms of work organisation in international manufacturing industry.
- The international response of trade unions drawing particularly on the experience of German and Swedish unions.
- The nature, form and extent of such initiatives in Irish Manufacturing.
- The involvement of workplace representatives in the introduction and ongoing implementation.
- The experience and likely future development of such initiatives is evaluated as is the response to date of the Irish Trade Union movement.

(Source, New Forms of Work Organisation, 1993, p.8)
A series of strategic options which are open to the Irish Trade Union movement in responding are identified. A recommended strategy and its implications are outlined.

The report in its conclusions and recommendations considered five possible options and advised against options one and two which proposed opposition or alternately not taking a formal policy stance and leaving the decision to local shop stewards and union officials on a case by case basis. The report suggested these options be rejected on the grounds that it would cause damage to the perception and credibility of unions and would likely lead to their increased marginalisation.

The recommendations strongly advocated a positive and proactive approach where three different options depending on the business context were to be considered:

- By adopting a minimalist approach where unions, given certain assurances by management will co-operate with initiatives. This would require unions to develop clear policies and specific guidelines.
- Adopting a proactive approach on the basis that it is in the best interests of members that unions are seen to respond positively so as to have as much input as possible in the introduction and monitoring.
- Actively promoting the introduction with the unions' own agenda. This would place unions in a position from which they can actively influence the nature and form of the initiatives in the best long-term interest of their members.

(New Forms of Work Organisation, 1993 p.42)

The threat of marginalisation identified by O’Hehir and O’Mahony in the report had previously been flagged by Bill Attley then General Secretary of the FWUI and later President of ICTU had warned at the ICTU Annual Delegates Conference in 1987 that the trade union movement was in serious danger of being marginalised.

The view has been affirmed by Gunnigle et al (1995) in attributing reasons for the trade union movement’s active participation in and support for national agreements;

The Trade Union movement looked to the prospect of National Agreements to beef up their role and status in Irish society. They had feared that the trade union movement might go the way they had gone in Britain and be excluded from the national scene.

(Gunnigle, McMahon and Fitzgerald, 1995 p.191)

If we consider the views of Des Geraghty, then Vice President of SIPTU, Ireland’s largest Trade
Union as representative then we must accept that the response has been unequivocal in supporting the Partnership ideal. We can safely assume that overall the Trade Union response to the report was to “actively promote” new forms of work organization;

SIPTU’s approach to enterprise partnership is based on the view that employees involvement in joint employer/union initiatives is intended to ensure that goods and services are delivered to the highest possible standards, thereby helping to secure employment and improve the living standards for our members. We believe that the partnership approach offers the best prospect for successful enterprise in this era combined with job satisfaction, personal fulfillment and rising living standards.

(Geraghty, 1995 p.11)

It can be inferred that the Trade Union movement has taken a pragmatic approach to the question and adopted a strategy which will guarantee their continuity of involvement and best economic interest of their members.

1.7 THE PARTNERSHIP 2000 AGREEMENT

The Partnership 2000 agreement will be identified as one of the pivotal influences in moving the employee involvement agenda forward and giving the principle real and practical application insofar as it promoted the concept of joint working groups to investigate and make recommendations on issues of mutual relevance. For the first time this agreement now gave employees not only a real voice and influence in decision making in the workplace but also direct participation in that decision making process. Of major relevance was the fact that these principles were now endorsed by Employers, Government and the Trade Unions.

What had started out as a model for centralized bargaining on pay and conditions at national level with the Programme for National Recovery in 1987 and a series of subsequent agreements had now become a vehicle for transposing the co-operation and agreement that had been achieved at national level to the level of the local enterprise.

It is ironic that the real momentum for the introduction of partnership at enterprise level and the very real participation that it offered was provided by a movement initially born out of economic need rather than an ideology or academic management theory or research.

This view is reaffirmed from the employers perspective in an Irish Times article where views
outined by John Dunne, Director General of IBEC in expressing concern in relation to
developments in public sector pay where demands from Nurses and Gardai were threatening the
stability of the Partnership 2000 Agreement;

The avalanche of public-service pay demands may spell the end of social partnership. “We in IBEC regret
that, because it seems to us that the way in which we have managed social partnership and developed it
since 1988, in combination with the pay agreements, has been a winning formula for Ireland. The thought
that we might willingly throw out a formula that is the envy of nearly every country in the world is beyond
belief.” He does not claim that IBEC came to social partnership brimming with altruism, but he says the
commitment is nonetheless real for that. Last July, when he became the first business leader to address an
ICTU conference, he admitted to delegates that he had come to social partnership through thinking
“commercially rather than socially”.

(Yeates, 1999, p.7)

The drivers of Partnership are as much about business and commerce, power and politics as they
are about principles of employee involvement in the workplace.

These are themes which will be explored in Chapter 2 which begins with a review of the economic
circumstances in the 1980’s which directly contributed to the emergence of National Social
Partnership.

Chapter 2 will seek to define the language of Partnership and explore the common principles
which are also basics tenets of Human Resource Management. The implications of Partnership for
the internal power dynamics of organisational life will be considered as will the diffusion of the
Partnership concept in the Irish Private Sector.
Chapter 2
CHAPTER 2- LITERATURE REVIEW

The literature review will encompass three sections; A, B and C

SECTION A

2.0 INTRODUCTION

Section 2 will consider the political, historical and economic influences which have shaped the development of National Social Partnership in Ireland since 1987. The evolution of Social Partnership has been a response to a unique combination of local influences and events. Ireland and the United Kingdom in addition to a shared political past have maintained a common Voluntarist approach to industrial relations fundamentally different to the significantly more regulated European model where the state engages directly in mediating the employer and employee relationship. This section will document the unique circumstances which have influenced the evolution of a distinctly separate tripartite National Social Partnership model in Ireland. The United Kingdom while not endorsing the principle of National Social Partnership has, however, adopted a similar commitment to Enterprise Level Partnership and therefore invites comparison on this dimension.

2.1 PARTNERSHIP - INFLUENCES

In 1987, the then Taoiseach, Charles Haughey was instrumental in persuading the Social Partners (Employers Trade Unions and Government) to enter a new centralised wage agreement in an attempt to moderate wage demands and their consequential inflationary effect on an economy which was spiralling out of control. High taxation, high unemployment, high inflation and interest rates, the mountain of debt incurred by injudicious foreign borrowing were conspiring to sink the economy. Employers had become disillusioned with previous centralised agreements and had negotiated pay agreements on a firm-by-firm basis during the period 1982-87. Earlier experiences with national agreements during the 60s and 70s had led to the eventual collapse of the model in 1982. Sheehan (2001) contends that 'National Agreements had mostly failed to keep pay limits in line with the limits agreed. Unions had used these agreements as a floor or foundation to build further pay rises'. (P23).
Sheehan goes on to assert;

As prototypes of early social Partnership these early agreements failed........the national understandings of 1978 and 1980 failed miserably to hold down pay in the private and public sectors leading to the collapse of centralised bargaining.

(Sheehan, 2001, p.23)

The impending predicted collapse of the economy required immediate action. Acceptance of the urgency and realisation of the need for consensus became an imperative for Government, unions and employers.

Hardiman (2000) contends;

Considerable misgivings were expressed within ICTU, IBEC was initially reluctant to become involved and sceptical that the agreement would hold........Undoubtedly the shared sense of economic crisis helped to bring union and employer leaders together, patriotism and a sense of responsibility to the wider community played an important part in shaping the participants views.

(Hardiman, 2000, p.290)

Industrial Relations News (1986) comments on the response of the leaders of the main political parties to the proposal for a return to centralised pay bargaining;

The Minister for Labour Mr. Ruairi Quinn, the Fianna Fail leader Mr. Charles Haughey and the PD leader Mr. Des O'Malley all viewed the proposal from Bill Attley, then General Secretary of ATGWU, in regard to the possibility of wage moderation in return for a national plan on employment, tax reform, social welfare and the public finances in a positive light. Although, it is hardly surprising with an election on the horizon.

(Industrial Relations News, 1986 p.5)

In an interview with Padraig Yeates, then Industrial Correspondent with the Irish Times, Phil Flynn, outgoing President of the Irish Congress of trade Unions (ICTU), talks of Haughey’s crucial and influential part in securing acceptance for the Programme for National Recovery (PNR) ‘the initiative came from us, we drove it but we could have been pushing till doomsday. The employers opposed it and it was Haughey more than anyone else who dragged the employers into the process, he saw the potential’ (Yeates 1995:9).

The foreword to the PNR underlines clearly the position. ‘The Social Partners conscious of the grave state of our economic and social life have agreed on this programme to seek to
regenerate our economy and improve the equity of our society through their combined efforts' (PNR, 1987).

High wage increases had helped fuel inflation and also meant higher tax burdens on a shrinking workforce. As pay increased in these circumstances labour itself became less competitive resulting in more job layoffs and further tax demands on those workers left in employment. The impact of inflation on wages is reflected in the fact that the value of real take home pay as identified by Yeates (1995) fell for a single person by 10.9% and for a married person by 4.8% in the period 1980-1987.

2.1.1 Factors indicating the extent of difficulties to be confronted in the PNR

The perilous state of the Irish economy in 1987 is reflected in the fact that our Gross Domestic Product (GDP) per capita was 64% of the EU average. The National Debt was equivalent to one and a half times Gross National Product (GNP). The mountain of debt which had been accumulating since the late 1970s was now consuming one third of consumer tax revenue to service. The level of borrowing which had given rise to this situation is reflected in the Exchequer Borrowing Requirement (EBR) of 10.7% of Gross National Product (GNP) which represented one of the highest budgetary deficits in the EU. Unemployment at 18.5%, amongst the highest in the EU, high interest rates and excessive levels of personal taxation represented a crisis for Government. (The Programme for National Recovery 1987, p5).

In the PNR the unions agreed to accept increases of 2½% annually, well below the level of inflation, during the proposed three-year life of the programme. In exchange Government pledged action on overhauling the tax system, combating inflation, creating 100,000 new jobs in the manufacturing sector during the lifetime of the agreement, reducing the level of debt and foreign borrowing and an extensive range of other social change.
2.1.2 PNR – Government Pledges

Specific commitments on Macroeconomic policy were as follows:
- Reduction of EBR to 5-7% of GNP
- Reduction of inflation rate
- Lowering of interest rates and widening of bands
- Linkage of exchange rate to EMS
- Pay increases not exceeding 2.5% in years 1988/89/90

(The Programme for National Recovery, 1987, p 9)

2.1.3 Beneficial effects of the early agreements, the Programme for National Recovery (PNR) and the Programme for Economic and Social Progress (PESP)

The impact of the programme saw significant increases in real take home pay (when adjusted for tax and inflation) during the life of this first and indeed the following centralised agreement in the current series, the PESP. Real take home pay had fallen dramatically during the period 1980 to 1987 as outlined below.

Table 2.0
Real take home pay of PAYE workers 1980-1993

<table>
<thead>
<tr>
<th></th>
<th>Single</th>
<th>Married</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980-1987</td>
<td>-10.9</td>
<td>-4.8</td>
</tr>
<tr>
<td>1987-1990(PNR)</td>
<td>+9.2</td>
<td>+5.7</td>
</tr>
<tr>
<td>1990-1993(PESP)</td>
<td>+5.8</td>
<td>+5.3</td>
</tr>
</tbody>
</table>

(Yeates, 1995, p.10)

Increases under the PNR alone had practically restored ground lost by PAYE workers in the previous seven-year period.

The ambitious employment creation targets, however, had not been achieved. In the period 1980-1987 almost 70,000 jobs had been lost in the manufacturing sector. Between 1987 and 1993 a total of 10,000 jobs were created in manufacturing and construction while services grew by an additional 40,000.

Yeates cites Peter Cassells then General Secretary of ICTU as stating;
We are satisfied that the integrated strategy on moderate pay increases, low inflation and tax reform has improved the living standards of workers. But we are disappointed that the improved economic environment these agreements have created have not led to more rapid growth in employment for those without work.

(Yeates 1995, p.9)

2.1.4 Progress under the Programme for Competitiveness and Work (PCW) and Partnership 2000 (P2000)

The success of the PNR and PESP agreements where real take home pay had increased by 9.2% and 5.8% respectively for single persons and 5.7% and 5.3% respectively for married persons and the creation of 40,000 new jobs provided congress with a strong case for seeking a mandate for entering into further such agreements.

The next Agreement, the Programme for Competitiveness at Work (PCW) 1994-1996 did not see the same gains as the previous agreements but its successor Partnership 2000 (1997-1999) saw real take home pay increase by no less than 16.3%. This substantial and significant increase in comparison to the total increases from 1987-1996 yielded by the PNR, PESP and PCW combined. This is reflected in rising disposable incomes and private consumption growing at about 9% per annum in both previous years. After allowing for inflation, the volume of private consumption in 1999 would be about 50% higher than in 1992. The increase in discretionary spending capacity would be the main contributor to the dramatic increases in employment in the services sector (Hannigan, 1999).

During the lifetime of these agreements, between 1995 and 2000, Ireland generated 400,000 jobs, mostly in the services sector. Unemployment fell to 4.5% in 2000 despite continuing strong labour force growth and net inward migration (CSO).

An important influence in the improvements in real take home pay was the reducing level of personal taxation which now saw Ireland as having the second lowest level in the Euro zone next to Luxemburg.
Table 2.1
Comparison of tax/social security in Euro zone 1999

<table>
<thead>
<tr>
<th>Tax and Social sec as % of Gross inc.</th>
<th>Austria</th>
<th>Belgium</th>
<th>Finland</th>
<th>France</th>
<th>Germany</th>
<th>Ireland</th>
<th>Italy</th>
<th>Lux</th>
<th>Netherl</th>
<th>Portugal</th>
<th>Spain</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>34.56</td>
<td>38.77</td>
<td>40.42</td>
<td>27.07</td>
<td>36.73</td>
<td>22.34</td>
<td>34.79</td>
<td>20.46</td>
<td>31.95</td>
<td>33.55</td>
<td>24.38</td>
</tr>
</tbody>
</table>

(Calculation for a married man with no children earning a gross salary of € 40,000)

(Source: O’Sullivan 1999, p.9)

2.2 TRADE UNION RESPONSE TO PARTNERSHIP

These two subsequent agreements, Programme for Competitiveness and Work (PCW) and Partnership 2000 (P2000) had ensured that Partnership had become a significantly well-embedded model for sharing economic gains across the social spectrum. The agreements were influential in changing the perspective of the Unions and their role in the Irish economy. In an article just prior to the successful negotiation of P2000 entitled “No going back to hand to hand combat in industry” Des Geraghty (1995) then the National Industrial Secretary, SIPTU writes;

> There is a convergence of interest between management and labour in ensuring survival in a viciously competitive world, and the most critical factor now in determining the success or failure of any company is the utilisation of the collective intelligence of the entire workforce. The time is past when workers could clock in and leave their heads in the security hut or when employers could afford to treat workers as mere units of production.

(Geraghty, 1995, p. 14)

Foley (1998:6) subsequently described Des Geraghty as one of trade union movement’s ‘most articulate advocates of Partnership, consultation and solidarity as the basis for trade unionism in the 21st century’.

Des Geraghty’s views were firmly endorsed by Peter Cassells General Secretary of ICTU speaking on the eve of a major ICTU conference on ‘Preparing for the Information Age’ when he criticised employers for their industrial relations practices. He proposed that many companies are practicing industrial relations dating back to the Industrial Revolution denying employees any real say in the organisations which they have helped to create;
This exclusion is unfair to workers and deprives companies and the economy of the valuable input of our modern, well educated and committed workforce. In debating the future of national programmes we are not talking about a half hearted Partnership which excludes the majority of workers and their representatives. The consensus at national level could only be renewed and maintained on the basis of full Partnership at company level.

(Cassells, 1996 p. 7)

The values of employee engagement and employees as stakeholders in the organisation have now become urgent themes for the trade union movement. These values which will become important principles in Partnership 2000 are now beginning to emerge.

2.2.1 Levers of change within the trade union movement

The vision expressed by Peter Cassells had no doubt been informed by ICTU's New Forms of Work Organisation report. In 1993 ICTU had commissioned two consultants to deliver a report, New Forms of Work Organisation - Options for Unions, 1993 - for the purpose of informing their views in relation to the position they should adopt, the report recommended a proactive approach. The acceptance of the report (see section 1.8.1) and the experiencing of a far greater influence for the Trade Union movement in a succession of centralised agreements since 1987 had clearly redefined their position.

These agreements have now given the Trade Union Movement a larger remit and voice in Irish society. Not alone have they delivered significant improvements in living standards for the members (See Table 2.0-Real take home pay) but they have also expanded the role and influence of the Trade Union movement.

In an interview with Padraig Yeates Industrial Correspondent for the Irish Times, Des Geraghty now President of SIPTU is quoted as saying;

He (Des Geraghty) sees the current generation of agreements as central to modernising Irish society. To those who say the dialogue between the social partners is usurping the role of the Oireachtas and the democratic process, he says this agreement is part of a process to improve the rights of people in the workplace and in the lot of workers and the disadvantaged while underpinning economic community, far from being a simple minded vote on a pay increase it is about improving the growth.

(Yeates, 2000, p.14)

With reference to comments by Mick O'Reilly then leader of the Amalgamated Transport and General Workers Union (ATGWU) that taxation issues should be a matter for the Dail
and that the best way to protect the interests of the working class is by building a strong Labour party Des Geraghty states ‘I want to know what we were doing on tax marches and in negotiations with successive governments on budgetary policy if we could leave it up to the Labour party’.

The statement identifies precisely how the role had changed and how the Unions could now influence issues such as taxation, health, social welfare or the introduction of a National Minimum Wage from the inside rather than have to resort to street protest. It is clear indeed why the Partnership process is an attractive option for the great majority of the Trade Union Movement. Bill Attley then general secretary of the FWUI had warned at the ICTU Annual Delegates Conference in 1987 that the trade union movement was in serious danger of being marginalised (ICTU, 1987). This view is endorsed by Gunnigle et al (1995);

The Trade Union movement looked to the prospect of National Agreements to beef up their role and status in Irish society. They had feared that the trade union movement might go the way they had gone in Britain and be excluded from the national scene.

(Gunnigle, McMahon and Fitzgerald 1995 p.191)

Geary and Roche (2002) affirm the view that the trade union movement identified Partnership as an important lifeline in a context where their continued influence was under threat;

The Irish Congress of Trade Unions on the other hand identified workplace Partnership as a means for bolstering unions’ influence at the workplace and as away of animating and maintaining rank and file support for trade union representation.

(Geary and Roche, 2002, p.13)

No doubt Mr. Attley was being mindful of the fact that in Britain the confrontation between the National Union of Miners (NUM) led by the self declared Marxist Arthur Scargill which had lasted for nine months during 1984/85 had resulted in a bitter defeat for 160,000 miners at the hands of Conservative Prime Minister, Margaret Thatcher. Scargill had organised an epic politically inspired confrontation in an attempt to bring down the Conservative Government. The tactic of the Flying Picket was used where huge numbers of striking miners engaged in illegal picketing to close a number of collieries who had continued working. They had not supported an attempt to cut off national coal supplies, an important resource in electricity generation, and which it was ultimately hoped would bring the country and the
economy to its knees. Scenes of civil disobedience where on occasion up to 5000 miners engaged in pitched battles with riot police and Scargill’s refusal to negotiate had strengthened the resolve of Government to break the strike and defeat its leader.

The British Government, and particularly Mrs Thatcher, were undoubtedly influenced by the action of the ideologically likeminded Ronald Reagan who some three years earlier in 1981 had sacked 12,000 striking Air Traffic Controllers.

The defeat of the Miners strike was to become the turning point in diminishing the power of the trade union movement in Britain.

Gunnigle, Mc Mahon and Fitzgerald (1995:191) cite Dineen and Wallace’s argument that the decision of the trade unions to participate in the negotiation of the PNR must be seen in the light of falling membership levels between 1980 and 1987. This decline focused the attention of the unions on the threat that unemployment posed to the membership levels. By collaborating with Government policy and entering into a national agreement the unions would be seen to be getting wage increases, albeit modest ones, which they hoped would retain members and to attract new ones, (Gunnigle, Mc Mahon and Fitzgerald 1995).

2.2.2 Dissenting voices within the trade union movement

Not all Unions, however, have been champions of centralised bargaining. In an article, by Padraig Yeates titled ‘Private sector unhappy with deals - Union leader - O’Reilly claims agreements have not been even-handed’ the main thrust of the article outlines the dissatisfaction of Mick O’Reilly then Irish Secretary of the ATGWU with how the private sector unions have fared under the agreements in comparison to the public sector. It really goes on to identify Mick O’Reilly’s own political views on the Partnership process. O’Reilly contends that’s ICTU’s support of the Partnership process is supporting a Progressive Democrat Minister who has a highly conservative economic agenda diametrically opposed to trade union ideology and vested interest.

Yeates quotes O’Reilly (1998);
I believe our job is to argue for a much more radical interventionist approach. We can’t argue for radical political change and an interventionist government if we also act as a prop for every type and variety of coalition government that is on offer. ........... Politicians ultimately have to be answerable to the electorate, I think we should be influencing the political debate and involved in politics. The Trade Union movement’s objective should be to help establish a majority left government.

(Yeates, 1998, p.3)

Mr O’Reilly who had been one of the strongest and most consistent opponents of centralised agreements would appear to be more at variance with the political ideology of the process rather than the results for his own Union which mostly represents workers in the private sector. The reality would suggest, however, that the trade union movement has dramatically increased its role, involvement and voice in the Irish political process, indeed some would argue ironically that their role is both disproportionate and undemocratic.

Mr. O’Reilly would find an unlikely endorsement for these views in the frequently stated position of Shane Ross, (Senator, Economist, Journalist and Business Editor of the Sunday Independent) who resides at the other end of the political spectrum. Shane Ross has been a consistent critic of IBEC, ICTU and the entire Partnership process. Writing in his Sunday Independent column on Peter Cassell’s candidacy in the Euro Elections he poses the question why is Mr Cassells (outgoing Chairman of National centre for Partnership and Performance, former President of ICTU) not seeking a seat in Dail Eireann?

Because Peter and his cohorts have emasculated the Dail. In recent years power has rested not with the democratically elected TDs, but with Irelands oligarchs known as the “social partners”. The budget is now dictated by .....................IBEC and ICTU. The government ignores it’s backbenchers but instead, first seeks the views of David Begg, Peter’s successor at ICTU.

(Ross S, 2004 p.16)

In the Sustaining Progress pay talks in June 2004 Mr Ross suggests that a whole raft of other political issues e.g. the future of Aer Lingus will take precedence over the actual pay negotiations which have assumed a secondary importance;

Pay hardly features in the pay talks. When they are settled this week – following IBEC’S ritual surrender- pay will have been left until last. But before that have to get the go-ahead from David Begg for such lofty policy issues as Iraq, house prices and any other matters of national interest. Then he (Taoiseach, Bertie Ahern) will call in IBEC to capitulate.

(Ross 2004 p. 16)
Mr Ross concludes this article by describing Partnership as 'the current code for trade union supremacy in the phoney industrial relations battle'.

Fitzgerald (2000) former Taoiseach, similarly contends that the Partnership process is 'leading us away from traditional forms of democracy'. In reference to the content of Social Partnership agreements and how it raises a question about the 'nature, role and quality of representative democracy in our state' the content of these programmes he describes as being the 'very stuff of traditional politics that one would expect to see in party manifestos and hear regularly debated in parliament'. Dr. Fitzgerald expresses concern at the absence of informed debate and democratic decision-making on issues within the Partnership process. 'Now, however, they are discussed, argued about and finally agreed, sometimes in very general or even ambiguous terms, by consensus among what are called the social partners' (Fitzgerald 2000 p.16).

While the views of Ross and O’Reilly appear to be at the opposite or possibly extreme ends of an ideological continuum, they do represent the views of particular constituencies.

Ross sees the legacy of Partnership and its contribution to Ireland’s success and economic recovery as part of what he refers to as ‘economic mythology’ and that the relationship between these events does not have a shred of supporting evidence. This he refers to as the ‘big lie’ and prefers to promote the view that the economic miracle has been led by the multinationals;

These global guys have no truck with trade unions “Partnership” or Peter’s beloved European economic model, strangely the most sluggish economy in the developed world.

(Ross, 2004, p.16)

Equally Mr O’Reilly’s old world Marxist view of Left versus Right, Capital versus Labour appears somewhat anachronistic in contemporary post capitalist society where Partnership agreements are moving toward a more consensual view of the industrial relations process. Class conflict and the dividing lines between the social classes have been dramatically blurred in 21st century Ireland.

Gunnigle, McMahon and Fitzgerald (1995) contend;
Contemporary society, it is argued, is more open and mobile with the franchise extended for the
further democratisation of politics, greater accessibility of educational opportunity opening
hitherto closed occupational routes, and the advent of the welfare state which serves to alleviate
the worst extremes of deprivation and inequality. Such societal developments have combined to
effectively undermine, and point to the need for a replacement for the Marxist prognosis.
Furthermore the spread and diffusion of property ownership, status and authority in post-capitalist
society have irretrievably removed the sharp divisions.

(Gunnigle, McMahon and Fitzgerald 1995 p.24)

While the majority of Unions and their leaderships are in support of the Partnership ideal
there are some Unions, and elements who are clearly hostile within other Unions who are
stated supporters. Carolann Duggan of the Socialist Workers Party and member of Ireland’s
largest Union SIPTU has achieved a national profile as one of the more strident critics.
Duggan’s revolutionary socialist perspective has been quoted as identifying employers as ‘the
enemy and the Partnership process as a betrayal of this principle. She has been unhappy with
her own Union leadership and particularly the then Vice President, Des Geraghty who has
been identified elsewhere in this work as being a champion and advocate of Partnership as a
pragmatic way forward for the Irish Trade Union movement. He is seen by Duggan as being
closer to management than to workers. ‘Bureaucrats like him on a high salary are wheeling
and dealing with the bosses and clearly aren’t grass roots’ (a reference to the disclosure that
salaries of £75,000 were being paid to some senior Trade Union figures) (O’Kane, 1998:3).

In the SIPTU Presidential election of 1997 Duggan had mounted a credible challenge to the
successful candidate, Jimmy Somers polling 37,940 votes against his 51,651. In March 1998
during the campaign for the post of General Secretary Duggan polled 24,842 votes against
the winner John Mc Donald’s 49,408. (O’Kane 1998, p.3).

These results must be viewed against the backdrop of a number of bitter disputes in
1996, 1997 and 1998 where Union recognition had been a central issue e.g. Ryanair, the Early
Learning Centre, Dunne’s Stores, Nolan Transport, Pat the Baker. The failure to concede
mandatory recognition by the Government and Employers in a succession of National
agreements had been and continues to be a major issue for the trade union movement, it was
perceived as an act of bad faith and contrary to the principle of workplace Partnership as set
The issue has been divisive within the trade union movement. *Mandate* at its biennial conference in April 1998 passed a motion saying that the next national wage agreement should be rejected unless union recognition formed an integral part of it. Maurice Sheehan, a senior officer of *Mandate* stated at the conference that ‘Congress needs to be far more visible and vocal so that workers will be confident that their interests in respect of this issue remain high on the national agenda’ (Yeates 1998:13). A compromise solution to this issue has subsequently been agreed by IBEC and ICTU and has been given expression to in the 2001/2004 Amendment to the Industrial Relations Act 1990 where the Labour Court has been given powers to impose binding terms and conditions on organisation in dispute situations where there are no negotiating arrangements recognised by the company. The legislation does not, however, permit the Labour Court to hand down determinations in respect of union recognition and falls short in this respect in regard to the trade union movement’s ambition for mandatory recognition.

### 2.2.3 Partnership as pragmatism

Regardless of the broader ambitions of the trade union movement to extend voice and influence in Irish political and economic life centralised bargaining and social *Partnership* continue to be perceived as a pragmatic and effective wage bargaining strategy.

At a consultative conference of SIPTU on 14th July 2004 to consider the recently negotiated terms of the Sustaining Progress wage elements and whether the union should recommend acceptance to its members, union President Jack O’Connor is cited by Dooley (2004:6) identifying that Sustaining Progress had delivered pay increases significantly ahead of inflation. In real terms the pay rises were the highest negotiated since the *Partnership* process began in 1987 with the exception of the PESP in 1990. Mr. O’Connor said employers would be unlikely to concede a better deal if unions rejected the agreement proposed;

The alternative of a return to ‘free for all’ bargaining would deliver higher increases for some workers but leave other workers worse off. Free for all rounds were never free and they were never for all.

(Dooley, 2004, p.6)
In conclusion, it is appropriate to consider whether the experience at National level and the rhetoric of Partnership at enterprise level has impacted on the reality of employee relations and roles of the participants in the workplace.

2.3 OTHER ECONOMIC BENEFITS

It would be entirely inappropriate to suggest that the turnaround in the economy was entirely due to these agreements. While their influence was significant the effects of more prudent financial management by Government cannot be ignored. EU funding and the high numbers of jobs especially in IT created by mostly U.S. inward investment stimulated by low levels of Corporation Tax at 12.5%, the general upturn in the world economy and the dramatic fall in international interest rates after 1987 contributed in no small way.

The agreements were, however, significant in creating an environment of economic and social stability and relative industrial peace which provided an attractive base for inward investment and job creation. Although the expansion in employment did not become apparent to the mid 1990s the foundations for the subsequent remarkable performance in job creation had been laid down during the early period of these agreements.

Ultimately the research question is not concerned with the merits or appropriateness of the present centralised bargaining model but rather how the model has evolved from being a mechanism to deal with a state of social and economic emergency to a more embedded set of institutionalised relationships at national level. The research question will consider the ambition of progress to workplace Partnerships identified in the Partnership 2000 Agreement as an extension of National Social Partnership and specifically will explore the response of employers to that ambition in seeking to identify the factors which have informed the choice to accept or reject Partnership at Local Enterprise Level as an employee relations model.

This development and expectation is illustrated by Peter Cassells (then General Secretary of ICTU) statement at the opening of the IPD conference in Galway, April 1998 as reported by Yeates (1998);

Mr. Cassells warned that Partnership 2000 was entering a critical phase. If employers were not willing to begin sharing information, profits and power during the coming year then there would be no more national agreements. (Yeates, 1998, p.13)
Employee participation and involvement were now becoming important themes for the employer/employee relationship at local level or the trickle down of the principles which have underpinned Partnership at national level to Partnership at local enterprise level.

2.4 PARTNERSHIP AT NATIONAL LEVEL – THE EMPLOYERS VIEW

Despite an early reticence to return to a centralised bargaining model on the part of employers it is important to explore some of the influences which have determined the continued participation of employers in the tri-partite Social Partnership model.

2.4.1 Reduction in days lost due to industrial disputes

The compelling index of advantage for the employer in the Partnership process is to consider the immediate contribution to industrial peace and stability. If we examine statistics in relation to days lost through industrial disputes it is evident that there is a dramatic reduction in the post 1987 period which marked the return to centralised bargaining.
Table 2.2

<table>
<thead>
<tr>
<th>Year</th>
<th>No of official disputes</th>
<th>Total days lost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1979</td>
<td>140</td>
<td>1,464,952</td>
</tr>
<tr>
<td>1980</td>
<td>132</td>
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<tr>
<td>1981</td>
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<td>1984</td>
<td>191</td>
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<tr>
<td>1985</td>
<td>116</td>
<td>412,000</td>
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<tr>
<td>1986</td>
<td>100</td>
<td>315,000</td>
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<tr>
<td>1987</td>
<td>76</td>
<td>260,000</td>
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<tr>
<td>1988</td>
<td>72</td>
<td>130,000</td>
</tr>
<tr>
<td>1989</td>
<td>38</td>
<td>49,854</td>
</tr>
<tr>
<td>1990</td>
<td>51</td>
<td>230,000</td>
</tr>
<tr>
<td>1991</td>
<td>52</td>
<td>83,000</td>
</tr>
<tr>
<td>1992</td>
<td>42</td>
<td>190,000</td>
</tr>
<tr>
<td>1993</td>
<td>48</td>
<td>65,000</td>
</tr>
<tr>
<td>1994</td>
<td>32</td>
<td>25,000</td>
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<tr>
<td>1995</td>
<td>36</td>
<td>130,000</td>
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<td>1996</td>
<td>30</td>
<td>114,584</td>
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<td>1997</td>
<td>28</td>
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<td>33</td>
<td>37,374</td>
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<tr>
<td>1999</td>
<td>32</td>
<td>215,587</td>
</tr>
<tr>
<td>2000</td>
<td>39</td>
<td>97,046</td>
</tr>
</tbody>
</table>

*1980-1992 Dept. of Labour Annual Reports*

*1993-2002 Dept. of Enterprise and Employment Annual reports*

Looking at a five-year average from 1982 -- 1986 the annual days lost due to disputes is an average of 368,000 compared to 1988 -- 1992 where the figure is 134,000.

It is difficult to identify any other benchmark event which can explain the highly significant and sudden decrease. While international trends were reflecting a reduction in strike activity these trends would indicate a gradual progression rather than dramatic drop off over a single 12-month period as evidenced by the 1987/88 figures. The only other event of significance in this period is the implementation of the 1990 Industrial Relations Act which created the
Labour Relations Commission among whose remit was to improve the practice of Industrial Relations in Ireland through the following means:

- The provision of a conciliation service
- The provision of an advisory service
- Assisting both employers and trade unions in drawing up and implementing codes of practice
- Appointing equality officers and providing the necessary facilities
- Reviewing and monitoring developments in Industrial Relations
- Assisting Joint Labour Committees and Joint Industrial councils in carrying out their business

(Source LRC Annual Report, 1994, p.9)

While the setting up of the Commission was certainly a welcome step it is important to recognise that the conciliation service did already exist as a function of the Labour Court the only other difference being that it now becomes a mandatory process and that the Court will not hear a case until it receives a report from the conciliation service. This provision was an attempt to shift responsibility for industrial relations back to employers and unions who had been too inclined toward referring disputes to the Court for reconciliation. The fact supports the view that in the period of local bargaining before 1987 that many of the negotiations at local level ended up in the Labour Court and that quite often strike action was resorted to as leverage in negotiation.

As soon as wage bargaining becomes centralised in 1988 and this source of conflict and dispute is removed from the local arena of industrial relations, where bargaining was conducted on a firm by firm basis. A dramatic reduction is now evident in both the number of disputes and the number of days lost annually from disputes.

The inclination to force issues forward to the Labour Court was referred to by Bertie Ahern, then Minister for labour in 1991 at the launch of the Labour Relations Commission;

The establishment of the Commission will give new impetus to the role of conciliation and will encourage resolution of disputes at the earliest possible stage of the dispute settling process. A major by product of the commission’s activities should be to shift responsibility for workplace industrial relations back to employers and trade unions. Fewer cases should go to a full hearing which will help restore the Labour Court to its intended role as a court of final resort. ....

(Ahern 1991 p. 4)
Mr Ahern goes on to state an expectation rather than a hope that the parties will begin to take a greater level of responsibility for reconciling their differences. ‘Under the new system it will, however, be necessary for the parties to make every attempt at settlement before the dispute can be referred to the Court’ (Ahern 1991:4).

The Act did not come into force until 1990 and has played an important role since then. The trend in reduction in dispute numbers and days lost was, however, already evident in 1988 and 1989 with respectively 130,000 and 49,854 days lost against the previously mentioned five year average of 368,000;

The 1990 figure of 51 disputes and 230,723 days lost is worthy of mention insofar as it involved one dispute at Waterford Crystal which lasted for fourteen weeks and dramatically skewed the annual figure when it is compared to the following year with 52 disputes but only 83,000 days lost. In 1992 three strikes were responsible for 89% of days lost. These disputes were at RTE, An Post and the Associated Banks.

(Considine, 2001, p. 93)

Another trend which, however, must be identified is the marked reduction in the frequency of unofficial disputes which began to emerge during the 1980s. This trend is identified in the 39th Annual Report of the Labour Court and is outlined in the table below: The introduction of mandatory pre-strike ballots and notice periods provided for in the 1990 Act reaffirmed Government’s ambition to reduce/eliminate unofficial industrial action.
No explanation is offered from the Court, however, for the steady decline in these figures.

It is difficult to refute that the return to centralised bargaining was a significant influence in reducing strike activity at local level in the pursuance of claims. The other important benefit to employers was the avoidance of the extremes of conflict which had surrounded the previous ‘free for all situation’ and had proved a major distraction in running the core business of the organisation.

2.4.2 Economic certainty and stability

John Dunne, then Director General of IBEC comments during the debate on whether to participate in discussions on the parties entering negotiations on a replacement to the PCW;

Expectations are high because of the feel good factor. We have to be able to convince people that progress so far is the way forward. If we go back to the uncontrolled approach of free collective bargaining it will set things back.

(Yeates, 1996 p.14)

Cooper (2000:3) reports John Dunne’s comments during negotiations on a successor to Partnership 2000 where Dunne expresses his concern about possible rejection of the deal on offer and recommended for acceptance by IBEC;

It would be very bad news for the economy, not because of the aggregate costs that would arise from negotiating individual deals but because of the disparities that would arise. There would be a

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**Table 2.2.1**

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of unofficial disputes</th>
<th>No. of days lost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980</td>
<td>81</td>
<td>219,500</td>
</tr>
<tr>
<td>1981</td>
<td>61</td>
<td>131,000</td>
</tr>
<tr>
<td>1982</td>
<td>55</td>
<td>74,000</td>
</tr>
<tr>
<td>1983</td>
<td>58</td>
<td>58,000</td>
</tr>
<tr>
<td>1984</td>
<td>75</td>
<td>51,000</td>
</tr>
<tr>
<td>1985</td>
<td>45</td>
<td>43,000</td>
</tr>
</tbody>
</table>

(Source Industrial Relations News 1986 p.19)
lot of blood spilt and lots of industrial action would result meaning that a lot of energy would be
dissipated in coming to what would be in the end the same conclusion" More importantly he
believes it would lead to a "reinstatement of uncertainty and instability". The certainty and
stability we have achieved in the last decade is much admired by people overseas and much
underestimated by us at home. Certainty and stability are so important in building business
momentum and confidence”

(Cooper M, 2000 p.3)

2.5 PARTNERSHIP – THE GOVERNMENT’S VIEW

At the general review of Partnership 2000 at Dublin Castle on 28\textsuperscript{th} July 1998 Taoiseach
Bertie Ahern listed the achievements of Social Partnership since the PNR in 1987 as follows:

- The 1987 Budget deficit of £1.4 billion transformed to a surplus of £604m
- The 1987 Exchequer borrowing requirement reduced from £2.1 billion in 1987
to £235 million in 1997
- Unemployment almost halved, down from 17.5\% to 9\%
- GDP had grown 6.5\% in 1997 compared to a European average of 2.3\%

Mr. Ahern offered a spirited defence of social Partnership:

All these achievements did not come about by accident. The simple fact is that we together
worked to achieve it. We recognised that our future could only be secured by acting together in
this small community. I don’t believe as some have suggested that this social Partnership of ours
can only work in times of crisis. I don’t accept that, having created a process which is the envy of
the rest of Europe, we would be so foolish as to let it unravel before our eyes.

(Ahern 2000)

Mr Ahern in an article written by him in the Irish times in March 2000 exhorting workers and
employers to support the Programme for Prosperity and Fairness states that “Partnership has
meant the creation of a virtuous circle in our society. Mr Ahern offered the following
examples which he says speak for themselves:

- The fastest level of economic growth in the OECD for the last 5 years
- Total employment up from one million in 1988 to 1.6 million in 1999
- Standardised unemployment rate now less than 5\%
- Debt/GDP ratio down from an alarming 120\% in mid 80s to just 50\%
- A current budget surplus of 3.4 billion in1999 compared to a deficit of 1.4
  billion in 1986
GNP per capita at 93% of the EU average compared to less than 70 in 1987

(Ahern, 2000 p.14)

2.5.1 Partnership and the facilitating bodies

Commitment to the extension of the Partnership process is reflected in Governments committal of resources and supporting infrastructure. The P2000 Agreement pledged the setting up of a facilitating body which was to be known as the National Centre for Partnership. Its role was to facilitate the development of Partnership arrangement at local level rather than to prescribe particular models or templates as to what Partnership ought to be. The agreement set out the following roles for the centre:

- Promotion of involvement and Partnership
- Monitoring developments
- Technical assistance and support to organisations involved in developing involvement and arrangements
- Dissemination of best practice
- Training for management, union, employer and workplace representatives

(Partnership 2000, 1996 p.64)

The major part of the work of the centre concentrated on providing training for the various participants in some of the Partnership initiatives.

The subsequent National Agreement, the Programme for Prosperity and Fairness provided the impetus to set up a new more heavily resourced and higher profile body with Peter Cassells as Chairman which was to be known as the National Centre for Partnership and Performance. Government established the new body in 2001 to support and facilitate change in the Irish workplace. The remit of this body was to be much more proactive in promoting Partnership as an important vehicle for driving competitiveness and performance as outlined by the PPF;

It is important that the appropriate institutional arrangements and resources are in place to support this level of Partnership. Maintaining our competitive strength and an environment conducive to innovation requires a new focus on improving the capability of enterprises, whether Public or Private. This leads to a greater emphasis on the quality of jobs and on performance, in this regard, the growing importance on new forms of work organisation, adaptation to change and lifelong learning need to be recognised. In order to meet the goals and challenges set out in this Programme, it is proposed to...
enhance the role of the National Centre for *Partnership* which will now be called the National Centre for *Partnership* and Performance (NCPPP).

(Programme for Prosperity and Fairness, 2000 p.132)

The Centre’s mission is to:

- Support and facilitate Irish organisations in the private and public sectors to respond to change and to build capability through *Partnership*
- Bring about improved performance and mutual gains
- Contribute to National competitiveness. Better public services, higher living standards and a better quality of life
- Develop a vision of the Workplace of the future

(National Centre For *Partnership* and Performance, 2003)

While the earlier body had concentrated a large part of its effort on the facilitation training for participants in *Partnership* initiatives, the new centre’s focus was to be more concerned with research and strategic policy formulation. The mission statement reflects considerably greater intent that the body should become a significant player in shaping how business and the public services deal with issues is responding to new challenges in an increasingly competitive world.

This aspiration is clearly set out in the overview to the PPF agreement.

“The Programme for Prosperity and Fairness is anchored on the vital importance of international competitiveness for Ireland’s continuing economic progress. It recognises the current domestic and international issues facing Ireland’s competitive position”

2.6 *PARTNERSHIP – A COMPARATIVE ANALYSIS*

Since *Partnership* in a movement within the field of international employee relations it is necessary to examine it’s penetration into the practice and conduct of employee and industrial relations and the contextual influences which have informed those positions.
2.6.1 **Partnership in the UK**

To gain a deeper understanding of what Partnership implies it is necessary to source a wider and more extensive literature in the search for definition of the partnership concept. It is considered appropriate to examine the definition, practice and evolution of the concept in the wider context and particularly the UK which has a relatively similar historical background in the conduct of Employee Relations and Industrial Relations. Both countries shared the same legal system from the Act of Union in 1800 to the granting of Irish Independence and particularly given that the law regulating trade disputes until 1990 in Ireland was the 1906 Act enacted by the British Parliament. The 1906 Act defined what was a legitimate dispute, established rules for the conduct of picketing, granted rights to injunction, immunities from tort etc. and was operational in Ireland until replaced by the 1990 Industrial Relations Act.

The UK and Republic of Ireland share an equally similar background of Voluntarism in regulating the relationship between employers and employees and will face a common challenge posed by the EU Information and Consultation Directive which will impose an obligation on organisations employing in excess of 50 employees to set up works councils granting rights to information and consultation. Both countries were the only EU countries prior to the expansion in May 2004 not to have any institutionalised forms of Councils and were the beneficiaries of transitional provisions to apply the Directive in three phases given at the time of adoption of the directive that they had no ‘general, permanent and statutory system’ of information and consultation nor of employee representation.

Another common influence exists insofar as the Professional body for HR practitioners in Ireland continues to be UK based Chartered Institute of Personnel and Development. Some Unions affiliated to ICTU operate in both the Republic and Northern Ireland.

Congress affiliates are as follows:
- Irish based unions operating only in R.O.I.
- Irish based unions operating in both R.O.I. and N.I.
- British based affiliates of TUC operating in R.O.I. and N.I.
- Trade unions affiliated to TUC and operating only in N.I.
There are noteworthy differences evident; Ireland’s centralised pay bargaining and well established Social Partnership model at national level since 1987, the Conservative Governments opt-out from the Social Chapter of the Maastricht treaty which was eventually overturned by New Labour in 1997, the mandatory recognition of unions in the workplace in the Employment Relations Act of 1999 in the UK.

The comparison is relevant insofar as Britain was the only EU member which had not signed the Treaty and has remained the least regulated of all EU economies and had remained the most aloof from the European social Model. Ireland on the other hand has been exemplary in it’s adoption of a European tripartite Social Partnership model which has supported the principle of enterprise level Partnership in the workplace through a national dialogue with the Social Partners. The ambition and penetration of enterprise level Partnership in the British economy without these supports must be a singularly more difficult agenda. The comparison invites consideration of these and other influences which may have impacted on the choice of individual employers to engage with a Partnership model.

Trade union membership in the UK has fallen from 13 million in 1979 to 7.8 million in 1998. The election of New Labour in 1997 saw the straight-line decline from 1979 arrested and modest increases becoming apparent from 1998. Union density has stabilised at 29%.

Kilpatrick (2003:2) cites a number of reasons for declining membership; declining employment in areas of high union density such as mining and manufacturing, the rise in private sector service industries, the fact that national sectoral level bargaining is now almost unknown in the private sector and multi employer bargaining has also decreased sharply.

The overriding influence identified by Kilpatrick (2003:2), is however, that new workplaces were less likely to recognise unions than either the workplaces they replaced or than new workplaces had been in the past. Kilpatrick also identifies the almost total disappearance of industrial action in the UK. In 1980, 25% of workplaces experienced industrial action; in 1990 this figure had halved to 13% of workplaces; by 1998 the figure had dropped to 2% of UK workplaces.

As identified in a previous section the decline in trade union power and influence began during the Thatcher years. To gain an understanding of the contemporary British industrial
relations context it is necessary to consider how the Thatcher government’s relationship with the Trade Union movement has continued to impact on the contemporary landscape and both influence and inform the present government’s Industrial Relations policies.

Thatcher’s views on the state of British industrial relations were clearly evident in 1979 long before defining experience of the miner’s strike in 1984 as evidenced by the following extract from a contemporary House of Commons speech in regard to a national road haulage dispute which provides a startling insight into the state of British industrial relations at that time;

British Rail reports quite simply: "There are no trains today".

The British Transport Docks Board, the nationalised ports sector, says that, on average, traffic at its ports is down 40% in and out of Southampton. The rail strike has added to the burden.

The report from the Confederation of British Industry is that many firms are being strangled. There is a shortage of materials. They cannot move their own products. Exports are being lost. It says that secondary picketing, picketing of firms not in dispute, is very heavy all over the country. It is particularly affecting such items as packaging materials and sugar and all vital materials necessary if industry is to keep going. Lay-offs known to the CBI are at least 125,000 already, and there are expected to be 1 million by the end of the week. There are telegrams and telexes from many companies saying that their exports are not being allowed through and that they might lose the orders forever.

The strikes today are not the only ones we have experienced recently. The tanker drivers' strike, thank goodness, is over. We have had the bread strike, hospital strikes, strikes at old people's homes, and strikes in newspapers, broadcasting, airports and car plants. Many people who thought previously that strikes were a characteristic only of large firms and that most firms were strike-free received a rather rude shock from a new piece of work by the Social Science Research Council, a Government-financed body, which found that nearly half our factories had some form of industrial conflict, stoppages, overtime bans and go-slows in the past two years; and nearly one-third suffered from all-out strikes.

(Thatcher, 1979, p.2)

The speech was made in the House of Commons on the 16th Jan 1979 in response to a national road haulage strike and while Thatcher was still leader of the opposition and had not yet become Prime Minister. It does, however, set down a marker for her ultimate date with destiny in respect of the trade union movement whom she identified as having no place in a new Conservative economic order.

In addition, it is useful as an index of the social and economic upheaval caused by the prevailing Industrial Relations climate in the UK and in indeed in the Republic of Ireland which was simultaneously experiencing an 18 week Postal dispute which left all of the country without postal services and a large part of the country without a telephone service during a protracted and bitter strike.
Thatcher eventually became Prime Minister in May 1979 and finally was provided the opportunity to give expression to Neo-Liberal economic views frequently enunciated in the ten-year period before becoming Prime Minister which outlined a clear disdain for the state corporatism of previous Labour governments;

The left wing believes that state ownership coupled with central control enables its Government to plan the production of each product in relation to the other, e.g. gas, electricity and coal, The control on investment is so close that, for example British Railways has to ask the Minister’s permission before it can spend on capital requirements any sum larger than a quarter of a million pounds. And each of the nationalised industries has to submit its annual investment programme for approval to the sponsoring minister.

(Thatcher, 1969, p.9)

Thatcher considered that the state sector had come to dominate the mixed economy and that its insatiable demand for finance had inhibited the operation of the market sector. The nationalisation of industries had extended beyond essential services and vast amounts of taxpayer’s money was being used to prop up ailing loss making industries for social and ideological rather than economic reasons. Rather than creating wealth these industries were consuming wealth created by competitive private sector business;

The conservative approach is different. We dislike monopoly and seek to break it up, we believe that competition is best and the only final test of efficiency, that decisions should be made where the experience and knowledge are to be found, that the test of their correctness is the market place and that the consequences of wrong decisions should not be borne by the taxpayer.

(Thatcher, 1969, p.9)

The fundamental return to the free market philosophy of Adam Smith was to become the basis of an economic policy that made collision with the trade union movement inevitable. The central objective of this economic policy was to create the framework of a market economy regulated by free market influences, a responsive economy open to technological change where industry and commerce could flourish and generate the wealth which the public services required. Competition would be the cornerstone of economic policy;

No amount of controls, restrictive practices, planning or monopoly can win Britain export orders; only being competitive can do that…………………It is a matter of record that those who succeed best in the markets of today are those willing to adapt to change, producing new goods and services as new tastes develop.

(Thatcher, 1984, p.5)
The lengthy period of conservative rule had according to Tailby and Wilkinson (2000) ‘facilitated the introduction of monetarist economic policies, restrictive union legislation, public sector privatisation and compulsory competitive tendering and labour market reforms’ Conservative ideology and policy were ‘designed specifically to undermine trade union influence in the workplace and to exclude it altogether from national political representation’.

Thatcher resigned as Prime Minister in 1990 and after a further seven years of Conservative Government Labour returned to power in 1997. In the election campaign Labour had endeavoured to broaden its appeal and largely distance itself from the trade union influence experienced by previous Labour Governments. Blair had signalled during the election campaign that the trade unions should not expect to enjoy any special relationship with a future Labour Government. Taylor (1997) recounts Blair’s assurance as reported in an article published by the Sun Newspaper, 4th April 1997 he assured it’s readers;

We will not be held to ransom by the unions. We will stand up to the strikes. We will not cave into unrealistic wage demands from anybody. Unions will get no special favours from any body.

(Taylor R.1997 p.1)

Brewster (1995) identified the election of New Labour as offering the prospect of changing the climate of workplace relations and subsequently strengthening the appeal of a European HRM model that recognises state and trade union involvement in the regulation of the employment relationship.

Tailby and Winchester (2000:367) similarly make the point that the return of the Labour Party to Government ‘may not have denoted a wholesale rejection of deregulation, contract culture and anti collectivism but it did bring the language of fairness, social Partnership and greater engagement of the European union to the fore’.

While much of the debate in the 80’s and 90’s concerned the impact of HRM on the traditional representational role of the trade unions, a debate which had exercised academics and trade unionists alike but by the 90’s the ground had shifted to consideration ‘for a reconfiguration of the relationship between management and trade unions along the lines of Social Partnership’. In the light of serious fall off in trade union membership and its severely marginalized position after 18 years of conservative government.
'Partnership offered an opportunity for reinvention of trade unionism' (Tailby and Wilkinson, 2000, p369).

Taylor (1997:21) asserts that the ‘primary aim of a Labour government would be to encourage the creation of a fair and flexible labour market through the development of an adaptable, flexible and skilled work-force and the establishment of Partnerships in industry’.

UK activity on Partnership continues to remain at local rather than national levels. To date almost all discussion has been focussed on company and workplace employment relations, Thus ‘Partnership at work’ rather than ‘Social Partnership’……….Social Partnership has been interpreted mainly as an attempt to create a more consensual and collaborative relationship between employers, employees and their representatives, and a joint commitment to achieving common goals and mutual benefits. (Labour party 2002:12).

Ackers and Payne (1998:531) identify three related factors influencing a new interest in the UK in the Partnership ideal:

1. They claim limited success for management led EI (Employee Involvement) initiatives in generating enhanced worker commitment, creating dualistic and non-union structures in large mainstream organisations. EI initiatives they claim were an attempt by management to by-pass unions but due to the limited success in securing employee commitment they argue that employers are now actively seeking union support to make such EI initiatives work.

2. They suggest that the old sources of social order, church, school, parents, peers and politicians have diminished as key influencers of personal values. They identify a need for new determinants of organisational order and cohesion where trade unions have much to contribute.

3. The need for British business to adjust to a changing political and ideological mood following the Government conceding to sign the Social Chapter and the obligations and influences which it confers on the conduct of business and the need to ‘adjust to the longer term inevitability of our new entanglement with an EU social policy informed by social Partnership’.
They perceive Partnership as a mechanism whereby the trade union movement can recover influence lost during the Thatcher years and redress the problem of their subsequent and continuing marginalisation in British business;

We hope to show that the discourse of Partnership, for all its vagueness and ambiguity, provide an opportunity for British unions to return from political and economic exile. To this end we unravel the rhetoric of Partnership, stakeholding and business ethics, in order to distinguish the new term from the crudely Unitarist and managerial EI schemes of the 1980s, and explore what it offers British unions in their quest to regain a central presence in the employment relationship.

(Ackers and Payne, 1998, p.532)

The British Involvement and Participation Association (IPA) identify the earliest reference to Partnership as coming from a discussion document drafted by the Communications Workers Union, (CWU is an amalgamation of the General Municipal Boilermakers and Allied Workers and Association of Professional, Executive, Clerical and Computer Staffs - GMB - and Union of Communication Workers - UCW - reconstituted in 1995 as the CWU).

In the document according to the IPA;

Partnership emerged as a distinct theme and aspiration, but not as a fully framed model. The authors proposed a European style tri-partite approach to economic management and industrial relations. The conservative Government and business community were implacably opposed. The document is seen as a catalyst for debate within the trade union movement and prompted a re-assessment of traditional tactics and a potentially viable alternative.

(Source http://www.ipa-involve.com)

Following a two-year period of consultation the IPA published Toward Industrial Partnership seeking to move British industrial relations away from its historically adversarial mode toward a more collaborative relationship with employers. The report identified three commitments to which all the parties should subscribe:

- The success of the enterprise;
- Building trust through greater involvement;
- Respect for the legitimacy of other partners.

It also identified four building blocks on which a Partnership is built:
Recognition of the employees desire for security and the company’s need to maximise flexibility;
Sharing success within the company;
Informing and consulting staff about issues at workplace and company level;
Effective representation of peoples’ views within the organisation.

Simultaneously, the Advisory, Conciliation and Arbitration Service (ACAS) commissioned Larry Adams from the US Dept. of Labour to write a paper on Partnership issues. Adams posited an ‘interest based’ model of Partnership recognising the need to manage skilfully the separate interests of both parties in the employment relationship.

In 1994 ‘contrasting with its previous often well founded scepticism regarding certain HRM practices the TUC quoted approvingly from the IPA’s work’ and ultimately John Monks TUC leader posed the following options for consideration ‘there is no alternative to global capitalism that I can see. But are we to have the US model with few rights for workers, the authoritarianism of the East Asian tigers or the European model of Social Partnership?’

The Confederation of British Industry were not quite as eager to embrace the concept, CBI President and Rentokil Chairman Sir Clive Thompson in 1996 famously compared dealing with trade unions to ‘pest control’. He stated that ‘individuals achieve a lot more than groups do collectively’ and that ‘third parties only interfere and harm drives for quality’.

(Source; http://www.ipa-involve.com)

Jacks, Pullinger and Reilly (2000:14) refer to Sir Clive’s likening of Partnership to a ‘Trojan horse’ through which unions could gain undue influence.

The principles outlined in the 1992 IPA report have subsequently been taken up by the TUC and the then new Labour Government. It would appear that the earliest reference to Partnership by Government appears in the foreword to the 1998 White Paper ‘Fairness at Work’ which Prime Minister Tony Blair identifies as;

Part of the Government’s programme to replace the notion of conflict between employers and employees with the promotion of Partnership. It goes along with our emphasis on education and skills – not overburdening regulation-in the labour market as the best means of equipping business
and people for a modern economy. The white paper steers a way between the absence of minimum standards of protection at the workplace, and a return to the laws of the past.

(Blair T. 1998 p.2)

A later section reaffirms a pre-election pledge that the Trade Unions should not expect any special relationship with the new Government and that there will be less regulation rather than more. This ambition echoes the views of Margaret Thatcher regarding the role of government and the personal responsibility of the citizen and less rather than more government. Tony Blair goes on to state;

There will be no going back, the days of strikes without ballots, mass picketing, closed shops and secondary action are over. Even after the changes we propose, Britain will have the most lightly regulated labour market for any leading economy in the world.

(Blair, 1998 p.3)

The main body of the White Paper itself (see Sec.1.13) provides reassurance in this regard that the Government’s determination is that ‘changes in the white paper should avoid bureaucracy and unnecessary burdens on business’.

The Foreword goes on to develop the desire for Partnership at work but already a similar approach to the Irish Government’s position is evident in identifying Partnership as part of a wish-list rather than creating regulation for the imposing of any individual Partnership mechanism on the business community;

Already modern and successful companies draw their success from the existence and development Partnership at work. Those who have learned to cherish and foster the creativity of their whole work force have found a resource of innovation and inventiveness that drives their companies forward as well as enriching their lives.

(Blair, 1998 p.4)

There are other parallels to the ambitions set out for the Irish Partnership 2000 agreement where Section 2.2 of the White Paper asserts ‘a recognition that everybody involved in a business has an interest in its success’. While the assertion is somewhat cryptic and falls short of the Irish documents express recognition of employees as stakeholders it nevertheless sets out a new definition for the place of the employee within the organisation.
Section 2.4 of the Fairness at Work white paper describes very much in the language and rhetoric of HRM the benefits of such arrangements. It states 'The returns from effective Partnership to the business and its employees are real whether it operates in local or global markets'. This section identifies the potential contribution from employees as follows:

- Where they have an understanding of the business, employees recognise the importance of responding quickly to changing customer and market requirements
- Where they are taken seriously, employees at every level come forward with ways to help the business innovate, for example by developing new products;
- Where they are prepared for change, employees introduce and operate new technologies and processes, helping to secure employment within the business.

(Fairness at Work, 1998, Sec 2.4)

Sec. 2.7 outlines Government's intention to make funds available 'to contribute to the training and development of managers and employee representatives in order to assist and develop Partnerships at work'.

Overall, any references in relation to Partnership are minimal amounting to little more than a page within a thirty-page document. The references appear slight and aspirational and are heavily eclipsed by commitments on national minimum wage, removal of the cap on unfair dismissal awards, incentives to promote family friendly policies, the extension of maternity leave, implementation of the working time directive, statutory procedures for union recognition and proposals for consultation. The ensuing legislation, the 1999 Employment Relations Act, is certainly true to Government's commitment in the white paper that changes should not impose either an unnecessary bureaucracy or burden on business in respect of Partnership (cf Sections 30-(1), 30-(2) below).

The Employment Relations Act 1999 does not offer any definition or outline of the scope or ambition for the Partnership concept or the creation of any supporting structures or institutions to facilitate the process. Reference to Partnership is confined to two small sections and of course identifies Partnership existing at the level of the local employer or
place of work. There is no national dimension or institutionalising of a tri-partite relationship between Government, trade unions and employers as is the case in the Irish model of Social Partnership nor is there any creation or funding of facilitating bodies such as the Irish NCPP.

The secretary of state may spend money or provide money to other persons for the purpose of encouraging and helping employers (or their representatives) and employees (or their representatives) to improve the way they work together.

(Fairness at Work, 1998, Section 30-1)

Money may be provided in such a way as the Secretary of State thinks fit (whether as grants or otherwise) and on such terms as he thinks fit (whether as to repayment or otherwise) Employment Relations Act (1999).

(Fairness at Work, 1998, Section 30-2)

The Partnership fund set up by subsequently by Government made Stg£5m available for this purpose. It seems ultimately that the Labour Government has been lukewarm to the promotion of the Partnership ideal and consequent creation of a lifeline for the trade unions;

The weakness of the trade unions and the acceptance by the British people of the validity of the market reforms put British political leaders in a much stronger position to pursue the policies that were necessitated by globalisation...This showed in the adoption by the Labour Government that was elected in 1997 of many of the conservatives policy positions.

(Bache, 2001, p.182)

It is not surprising that Dietz (2004:13) identifies that Taylor (2003) has suggested that there are only 80 known cases that conform to the TUC’s definition of Partnership. The Department of Trade and Industry website documents 95 case studies not all complying strictly with the definition. The Government’s Partnership Scheme had subsidised around 160 schemes.

Another unanticipated insight is offered by Oxenbridge and Brown (2002:269) who report that in a survey some firms had ‘either had or intended to develop Partnership agreements which accorded fewer union rights or reduced union strength’.

SECTION B

This section will seek definition of the terms within the dense rhetoric that supports the Partnership ideal. The overlap into the language and concepts of Human Resource Management which is identified as a competing strategy to the practice of Partnership at
enterprise level will be explored. A number of surveys will be reviewed to determine the penetration of Partnership as a model for mediating the employer/employee relationship. Research will be considered which examines the various influences which have informed the choice for an organisation to adopt this as an appropriate employee relations strategy.

2.7 SEEKING DEFINITION OF THE LANGUAGE OF PARTNERSHIP AND ITS ASSOCIATED TERMINOLOGY

While a number of different terms are used in many texts to describe these processes for the most part there is little explicit differentiation of them. Partnership, Employee Participation, Employee Involvement, Employee Engagement and hitherto the concept of Industrial Democracy are often used in the same context but a deeper analysis and investigation confirms a radically different meaning. Ultimately it appears that Partnership and Participation will have high levels of formal union involvement and ownership and could have the potential to become an extension of the collective bargaining process. Employee involvement and engagement, on the other hand, are largely management driven, initiated and facilitated by HRM values and by management led organisation culture.

2.7.1 Industrial democracy

The term Industrial Democracy appears to be one of the earliest terms used in the development of the language of this subject. The term which was commonly used in the 1970s has obvious political resonance and is largely rooted in a time when Labour politics in the UK and Ireland would have had significant leanings toward Socialism and the rhetoric of the left. Brendan Corish, leader of the Irish Labour party and Tanaiste in the coalition Government of 1973 at the time famously asserted that ‘The 70’s will be Socialist’. The UK shared a similar political landscape according to Brannen;

In the 1970s interest was centred around the notion of power sharing through industrial democracy and an influential role was seen for the unions, even though such ideas were contested by employers and also a subject of controversy within the union movement. (Brannen, 1983 p.670)

As the political landscape began to change the ambitions of Industrial Democracy in that particular incarnation began to recede. In the UK trade union membership and influence declined significantly in the 1970s/80s. In Ireland there were tentative efforts to advance the agenda. In 1977 the Government enacted the Worker Participation (State Enterprises Act)
1977 followed by an extension of this legislation in 1980 to an additional 40 State and semi-state bodies. In 1980 the Dept of Labour published a discussion paper entitled Worker Participation to stimulate discussion in the private sector.

The ideals of Worker Democracy did not find significant approval from employers given its terminology rooted in the language of a political ideology, with implications of the power of veto, collective decision-making and the imagined vista of worker co-operatives all of which were largely inimical to the employers perceived “right to manage”. Unlike later concepts of employee involvement and participation worker democracy did not have the substantial body of supporting HRM rhetoric and change management literature which has driven and underpinned these more contemporary concepts.

2.7.2 Employee Involvement

Marchington and Wilkinson (2000:345) differentiate between Industrial Democracy, Employee Involvement (EI) and Participation. Employee involvement is differentiated from participation. Marchington and Goodman (1992:42) define involvement ‘as those practices which are initiated principally by management and are designed to increase employee information about and commitment to the organisation.’ Armstrong (2001) states in relation to involvement that the employer gives the employee the opportunity to become involved in their work and their organisation beyond the simple performance of the wage/work bargain. Marchington cites Stevens (1990) belief that;

"Recent EI initiatives have been management sponsored and, not surprisingly, have reflected a management agenda concerned primarily with employee motivation and commitment to organisational objectives. EI has focussed on direct participation by small groups and individuals, it is concerned with information sharing at a work group level, and it has excluded the opportunity for workers to have an input into high-level decision making. As such, direct participation (EI) is fundamentally different from industrial democracy and indirect participation schemes such as consultative committees which are collectivist and representative in form or forms of social Partnership."

(Marchington, 1995, p.83)

Marchington (1995:83) makes clear the distinction between involvement and industrial democracy in that involvement presumes that management should be free to choose when and how to involve employees while democracy assumes that employees should have rights over those who manage their working lives. Bratton and Gold (1999) identify the concerns of
commentators and practitioners that EI and joint consultative procedures might be used by managers to circumvent established collective bargaining machinery.

2.7.3 Employee participation

Participation is about employees playing a greater part in the decision making process. Marchington (1995:84) uses the term participation to cover employee influence which may be exercised through bargaining and negotiation over a wide range of issues associated with the organisation and conduct of work and terms /conditions of employment.

O’Connell et al. (2004) identify participation as a mode of employee involvement;

“Participation refers to modes of direct involvement and consultation over the way work is organised and carried out in work teams, problem solving groups, project group’s quality circles or continuous improvement programmes or groups”

(O’Connell, Russell, Williams, Blackwell, 2004 p.17)

It conforms closely to Marchington’s (1995) definition of direct participation but blurs this definition’s tidy distinction between direct and indirect participation through the inclusion of the term ‘consultation’ which is more properly the territory of indirect participation. O’Connell et al (2004) again upset an evolving sense of certainty of definition in referring to Partnership as one of two modes of employee involvement, participation being the other;

Partnership refers to collective organisation in which employee representatives work with management to promote Partnership and cooperation or to improve the organisation’s performance.

(O’Connell, Russell, Williams, Blackwell. 2004 p.17)

Salaman (2000) extends the range of activities or scale of engagement of participation from the operational to the more strategic level;

Employee participation denotes a distinct evolutionary development which is aimed at extending collective employee influence beyond the traditional remit of collective bargaining into much wider areas of organisational planning and decision making at both the operational and more importantly the strategic level.

(Salaman, 2000, p.76)
2.7.4 Empowerment

Empowerment is part of the language and terminology of HRM and as such is a related and parallel principle to employee involvement. The term became part of the language of downsizing and flat organisation structures in the 1990s. Marchington (1994) suggests that the reality of empowerment has ‘fallen short of its implied meaning and the ideals behind it’. In reality the term is typically much more dilute, likely to refer to the opportunity for employees to make suggestions for change or have the responsibility for decision making within severely constrained boundaries.

2.7.5 Psychological Contract

Guest and Conway (1999:10) identify the psychological contract as a term increasingly used to describe the relationship between the individual and the organisation, Guest and Conway (1999:10) cite Schein’s (1978) definition “A set of reciprocal expectations between an individual employee and the organisation e.g. fairness in treatment, trust in management to keep it’s promises as reflected in regards to pay, job demands and promotional opportunities.

2.7.6 Partnership

In a report commissioned by the British Dept of Trade and Industry (DTI) Knell (2000) states that ‘Partnership is not a term that carries with it any precise theoretical or practical connotation’. In attempting to establish some general meaning Knell observes;

Definitions of Partnership have tended to focus more on the cultural values and aspirations that are seen to underpin Partnership, rather than on precise empirical definitions of Partnership approaches and outcomes.

(Knell, 2000 p.5)

Ackers and Payne (1998:532) in attempting to find definition talk about the need to find conceptual tools to ‘decipher the various semantic threads and crisscrossing definitions’ and that the best guide to meaning is ‘the rhetorical usage by the major political and social actors’ particularly for a term which ‘combines seductive rhetoric with ambiguous and shifting meaning’.

53
There are seven main conceptualisations of Partnership evident in the UK according to the IPA. These are represented in the following table of definitions, the heart symbol denotes a stated principle or commitment, and the diamond in the other hand represents an observable and operating HR practice:

- The original IPA model from 1992
- ACAS 1993 as defined by Adams
- New Labour’s aspirational definition
- The EC aspirational definition
- The TUC’s 1998 six point definition
- Varying interpretations among trade unions
- Confederation of British Industry position
Table 2.3
Common principles and practices evidenced in a range of UK definitions

<table>
<thead>
<tr>
<th>COMMITMENT TO SUCCESS OF ENTERPRISE</th>
<th>GOVERNMENT</th>
<th>LABOUR</th>
<th>IPA</th>
<th>TUC</th>
<th>CBI</th>
<th>ACAS</th>
<th>AEEU</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commitment to success of enterprise</td>
<td>★</td>
<td>★</td>
<td>★</td>
<td>★</td>
<td>★</td>
<td>★</td>
<td>★</td>
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<tr>
<td>Building trust</td>
<td>★</td>
<td>★</td>
<td>★</td>
<td>★</td>
<td>★</td>
<td>★</td>
<td>★</td>
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<tr>
<td>Recognising legitimate roles/interests</td>
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<td>★</td>
<td>★</td>
<td>★</td>
<td>★</td>
<td>★</td>
<td>★</td>
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<tr>
<td>Addressing employment security</td>
<td>★</td>
<td>★</td>
<td>★</td>
<td>★</td>
<td>★ &amp;★</td>
<td>★ &amp;★</td>
<td>★ &amp;★</td>
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<tr>
<td>Addressing quality of working life</td>
<td>★ &amp;★</td>
<td>★</td>
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<td>★ &amp;★</td>
<td>★ &amp;★</td>
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<tr>
<td>Information sharing/transparency</td>
<td>★ &amp;★</td>
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<td>★ &amp;★</td>
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<tr>
<td>Sharing success of enterprise</td>
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<td>★</td>
<td>★</td>
<td>★</td>
<td>★ &amp;★</td>
<td>★ &amp;★</td>
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<tr>
<td>Provision of (independent)</td>
<td>★</td>
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<td>★ &amp;★</td>
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<td>representation of workforce</td>
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<td>Consulting employees on</td>
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<td>organisational policy</td>
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<td>★ &amp;★</td>
<td>★ &amp;★</td>
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<tr>
<td>Training/staff development/lifelong</td>
<td>★ &amp;★</td>
<td>★</td>
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<td>★</td>
<td>★</td>
<td>★ &amp;★</td>
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<td>learning</td>
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<td>★ &amp;★</td>
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<td>Equal opportunities/fair treatment</td>
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<td>for all</td>
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<td>★ &amp;★</td>
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<tr>
<td>Extending Partnership to</td>
<td>★ &amp;★</td>
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<td>★</td>
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<td>★ &amp;★</td>
<td>★ &amp;★</td>
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<tr>
<td>wider community</td>
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<td>★ &amp;★</td>
<td>★ &amp;★</td>
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<tr>
<td>Recognising importance of the</td>
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<td>★ &amp;★</td>
<td>★ &amp;★</td>
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<td>relationship</td>
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<td>★</td>
<td>★</td>
<td>★ &amp;★</td>
<td>★ &amp;★</td>
</tr>
</tbody>
</table>

Sources: European Commission - “Partnership for a new organisation of work” (Green paper 1997)

(Source: http://www.ipa-involve.com 2004)
The table provides an interesting insight into how employers and unions are divided on a common definition unlike the Irish situation where a mutually accepted definition has been agreed and accepted by the Social Partners in the P2000 Agreement. The definition offered by CBI who are the sole employer body represented could easily be confused as a part definition of HRM. A significant absence from the survey is a view from the Chartered Institute of Personnel and Development who it would be reasonable to assume would offer the definitive employers industrial relations perspective. The CBI definition recognises only two of the common elements in ‘Commitment to success of the enterprise’ and ‘Training/staff development/lifelong learning’.

Higgins (1999:16) cites Guest’s speech to the NCP conference in Dublin in that year where he endeavours to synthesise some of the elements of the Partnership definition. Guest states that the IPA had identified three key components:

- The careful use of an integrated bundle of high commitment HRM practices.
- The maximum direct participation in day-to-day work through job redesign to move responsibility to a lower level.
- A strong institutional framework whereby worker representatives were involved in decisions about the direction of the organisation and the allocation of resources.

Higgins (1999:16) cites Guest where he identifies the inclusion of the last component ‘as something of a litmus test for Partnership and was relatively rare’. In referring to research carried out by the British IPA he stated that ‘company members of the Association saw Partnership in practice as ‘a combination of traditional worker participation and more recent forms of Human Resource Management’

Roche and Turner (1998:86) reaffirm Guest’s view of Partnership’s relationship with HRM in identifying Partnership as ‘the coordination of HRM initiatives with the conduct of collective representation and with collective bargaining’. The definition seems to create a certain paradox insofar as HRM has already been defined as being largely managerialist and entertaining ambitions to remove third parties from the employer/employee relationship and indeed to marginalize the role of trade unions within a Unitarist culture which seeks to maximise employee commitment through an enhanced psychological contract.

- Management seeks to win the consent of unions to change, innovation, the introduction and operation of HRM and related policies and wider and business decisions, by granting unions a voice in decision making on a non-adversarial or consensual basis.
- To this end management policies commonly seek to meet central union concerns, particularly in areas such as employment security, the preservation of good pay and conditions and the underwriting of union recognition and security.
- The scope of union voice may be narrow (confined to specific levels, areas or issues) or broad (possibly encompassing business strategy, and a wide range of levels and aspects of enterprise and workplace governance) and the channels through which it is given expression will vary from case to case.
- Unions are willing in return to work cooperatively with management plans and policies and encourage their members to cooperate with HRM policy innovations, new principles of work organisation and management initiatives to promote competitiveness.

(Roche and Turner, 1998, p.87)

The Chartered Institute of Personnel and Development (CIPD) in a position paper entitled Employee Relations into the 21st Century concur with a common position in stating there is no agreed definition of ‘Partnership at work’ but consider that ‘it implies as the TUC has suggested a sense of common action and purpose’ It goes on to offer something of a managerialist analysis of what Partnership should mean. (CIPD,2000:12)

It seems to CIPD that Partnership has more to do with an approach to the relationship between employers and employees, individually and in groups, than it has to do with trade unions as such.

The paper acknowledges that an increasing number of organisations ‘have developed Partnership agreements with trade unions and the elements of good practice which are emerging match up to the requirements of good employee relations’. 
CIPD point out that Partnership ‘is essentially about processes of management rather than about structures’ It is evident that there is little enthusiasm for the creation of formal Partnership structures as such and the resulting increase in trade union voice provided by such structures and that CIPD’s preference would be a Partnership directly between employer and employee where the Unitarist values of HRM are the essential ingredient of that relationship. This view is reinforced by (Roche W.K. 1999:12) in identifying that Partnership is a component of ‘New Industrial Relations’. The term new industrial relation ‘encapsulates..... a wide range of industrial relations and human resource practices which commentary and research suggests have become common during the 1980s and 1990s’. Partnership is not exclusively a natural evolution of industrial democracy principles in unionised organisations but is a product of a more general shift in the management of employee relations;

Many of the practices in question, for example, forms of direct employee involvement, performance related pay or profit sharing, are not confined to unionised firms and appear to have become common across the board........When occurring in combination or in bundles, new practices are usually regarded- certainly in the Anglo Saxon literature- as the basis of a new model of industrial relations, also variously described as “mutual gains”, “jointist”, “Partnership”, “joint governance” or “joint management model”.

(Roche, 1999, p.12)

To achieve a fully rounded understanding of the ideals of Partnership it becomes essential to consider this general shift in the management of employee relations and particularly the principles and practices of Human Resource Management theory. Knell (1999:6) in considering a long list or ‘menu of employee relations options’ which are components of partnership identifies the overlap between these concepts. The list which includes involvement, participation, employee voice and discretion, shared reward and new forms of HRM leads Knell to conclude;

The list also underlines the force of our earlier arguments that the partnership concept overlaps with a number of other related areas, such as stakeholding, mutuality and participation and particular aspects of HRM.

(Knell, 1999 p.6)
2.8 HRM – THE EMERGENCE OF A KEY INFLUENCE

In the late 1980s a major shift begins to develop from traditional Personnel Management toward a new conceptual model of Human Resource management. The change in direction marked a movement away from a task centred Personnel Management function to a more strategically oriented Human Resource Management function.

Bratton and Gold (1999:4) identify some of the models of HRM beginning to emerge, in the US, Beer’s Harvard model, in the UK, the Guest, Storey and the Warwick Models.

In the attempt to bring clarity of understanding to the question of definition some writers have created models to demonstrate the qualitative differences between conventional Personnel Management practice and HRM notably Guest and Storey. Guest (1991) in expanding the Harvard model attempts to stereotype the essential differences between PM and HRM as being ‘commitment’ as opposed to ‘compliance’ focussed.

Any attempt to classify differences into either/or type categories will inevitably lead to simplification, caricaturing or even exaggerating the differences for the sake of comparison or in this case differentiation. The following tables are useful, however, in highlighting some key differences while accepting that some of the concepts are not necessarily polar opposites as suggested by the tables.
### Table 2.4

**Stereotypes of Personnel Management and Human Resource Management**

<table>
<thead>
<tr>
<th></th>
<th>PM compliance</th>
<th>HRM commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Psychological contract</td>
<td>Fair day’s work for a fair day’s pay</td>
<td>Reciprocal commitment</td>
</tr>
<tr>
<td>Locus of control</td>
<td>External</td>
<td>Internal</td>
</tr>
<tr>
<td>Employee Relations</td>
<td>Pluralist</td>
<td>Unitarist</td>
</tr>
<tr>
<td></td>
<td>Collective</td>
<td>Individual</td>
</tr>
<tr>
<td></td>
<td>Low trust</td>
<td>High trust</td>
</tr>
<tr>
<td>Organising principles</td>
<td>Mechanistic</td>
<td>Organic</td>
</tr>
<tr>
<td></td>
<td>Formal defined roles</td>
<td>Flexible roles</td>
</tr>
<tr>
<td></td>
<td>Top-down</td>
<td>Bottom-up</td>
</tr>
<tr>
<td></td>
<td>Centralised</td>
<td>Decentralised</td>
</tr>
<tr>
<td>Policy Goals</td>
<td>Administrative efficiency</td>
<td>Adaptive workforce</td>
</tr>
<tr>
<td></td>
<td>Standard performance</td>
<td>Improving Performance</td>
</tr>
<tr>
<td></td>
<td>Cost minimisation</td>
<td>Maximum utilisation</td>
</tr>
</tbody>
</table>

Source (Guest. D, 1991 p.152)

Alternatively HRM is defined by reference to strategy, practices and outcomes

**Table 2.4.1**

**The Guest model of HRM**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Differentiation</td>
<td>Selection</td>
<td>Commitment</td>
<td>Effort/Motivation</td>
<td>High Productivity</td>
<td>Profits</td>
</tr>
<tr>
<td>(innovation)</td>
<td>Training</td>
<td></td>
<td></td>
<td>Quality</td>
<td></td>
</tr>
<tr>
<td>Focus</td>
<td>Appraisal</td>
<td>Quality</td>
<td>Cooperation</td>
<td>Innovation</td>
<td>ROI</td>
</tr>
<tr>
<td>(quality)</td>
<td>Reward</td>
<td></td>
<td></td>
<td>Low absence</td>
<td></td>
</tr>
<tr>
<td>Cost</td>
<td>Job design</td>
<td>Flexibility</td>
<td>Involvement</td>
<td>Low turnover (labour)</td>
<td></td>
</tr>
<tr>
<td>(reduction)</td>
<td>Involvement</td>
<td></td>
<td>Organisation</td>
<td>Low customer</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Status and</td>
<td></td>
<td>citizenship</td>
<td>Complaints</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Security</td>
<td></td>
<td></td>
<td>Low conflict</td>
<td></td>
</tr>
</tbody>
</table>

(Source: Bratton and Gold, 1999, p.21)

Guest and Peccei (2001:208) in the search for a definition of Partnership where different writers emphasise ‘different elements and dimensions’ identify Partnership as falling within ‘three broad intellectual traditions and theoretical perspectives’, these traditions they claim
can be *Pluralist*, *Unitarist* or what they term *Hybrid*. The *Pluralist* incarnation has its roots in the European debate on workplace representation and is grounded in discussions on worker democracy and worker participation as viewed from a *Pluralist* perspective. Guest and Peccei (2001) cite the German model where legislation sets out rights of co-determination, consultation and communication. This model is defined as including a representative participation perspective built around legislation and grounded in a *Pluralist* tradition.

The *Unitarist* framework seeks to integrate employer and employee interests, while at the same time maximising employee involvement in and commitment to the organisation, two broad strands are evident where financial involvement through share ownership arrangements are seen as the ‘principal method of reconciling and aligning employer and employee interests’. The second strand sees direct employee participation and involvement in day to day operational rather than strategic issues but with a view to increasing employee commitment. Guest and Peccei (2001:208) see this as a rather one-sided form of *Partnership* implying a low level of trust. The definition offered by Guest and Peccei (2001) could equally apply as a part definition of HRM.

The third or *Hybrid* model combines elements of the first two, and:

> Is based on pluralist assumptions and recognises the importance of direct forms of employee involvement and participation as well as the benefits of management and employees working together to ensure gains for all the parties concerned.

(Guest and Peccei, 2001, p.210)

The Irish Social Partnership model falls most comfortably into this category.

The position of *Partnership* within *Pluralist* theory will be developed further within the methodology chapter but the present relevance of Guest and Peccei’s (2001) research is in drawing links to HRM within their *Unitarist* perspective. ‘A related … *Unitarist* approach is one that has been most clearly and fully articulated in some of the recent mainstream American organisational behaviour and HRM literature’.

Higgins (1999:16) cites an earlier statement by Guest at the Irish National Centre for *Partnership* (NCP) conference of that year where the HRM influences are more explicitly stated albeit from an employer’s perspective;
Guest... spoke about research by the British IPA where company members of the association saw Partnership in practice as a “combination of traditional worker participation and what he calls ‘more recent forms’ of Human Resource Management”.

(Higgins, 1999 p.17)

The commonality of practice and perspective between HRM and Partnership invites exploration of HRM as an employee relations strategy or ideology.

The broader consideration of principles and practices is considered by Dietz, Cullen and Coad (2005) who comment that the great majority of academic research on Partnership has been ‘conducted within an industrial relations framework’ and demands examination from a broader perspective;

Partnership is a state of workplace affairs that is attainable in theory at least in all settings unionised and non unionised alike, and hence has the potential for broader appeal as a model of employee relations.

(Dietz, Cullen and Coad, 2005, p.290)

A HRM focussed Partnership is therefore seen to be possible in non unionised organisations, an alternative to the industrial relations based model but even within the industrial relations model the success of the initiative may be dependent on an existing or emerging platform of successful HRM practice as Marks et al (1998) note in research conducted on the ‘politics of Partnership’ in an assessment of innovation in employment relations in the Scottish spirit industry;

The relative success of the package of initiatives at UD (United Distillers) thus supports other research that work reform efforts underpinned by a wider range of HR policies and joint involvement by management and unions are more likely to be successful.

(Marks et al. 1998, p.29)

For some researchers Partnership’s association with HRM is seen as an unhealthy alliance as Johnson, Wilkinson and Ackers (2004:3) suggest in citing Taylor and Ramsay (1998) where they view Partnership an extension of HRM likely to lead to exploitation of workers, and problems for trade unions.

Martinez Lucio and Stewart (2004:415) perceive that in the context of the UK Partnership represents an attempt to renew what they term the tired project of HRM and similarly support
Taylor and Ramsey’s (1998) view that ‘Partnership agreements may undermine the role of workplace unionism by sustaining a model of HRM that is beyond the remit of union control’.

It must be noted that the context of Partnership in the UK is significantly different to that of Ireland where it is endorsed at national level in a tripartite social Partnership agreement between Government, Employers and Trade Unions which sets outs definitions and examples of what might constitute Partnership at the level of the local enterprise. It is uniquely and historically rooted in a corporatist Government response to the economic crisis of the 1980s and its success is inextricably bound up in a series of national wage agreements which to some extent provide the glue for the this social construct.

The Partnership principle is also supported and promoted by a Government funded and significantly resourced National Centre for Partnership and Performance (NCPP). The Governments commitment to the principle is reflected in their agreement with the public sector unions that any future change in that sector will be implemented on a Partnership basis.

The British Labour Government which has retained many of the neo-liberalist principles of the previous Conservative Government has not endorsed Partnership to the same degree. Government, Confederation of British Industry (CBI) and the Chartered Institute of Personnel and Development (CIPD) as identified elsewhere in this work have given only qualified support for the principle. Unlike Ireland, there is no agency funded by government to promote the Partnership principle, the nearest equivalent being the advocacy body titled Involvement and Participation Association (IPA) which describes itself as a ‘completely independent and not for profit organisation funded through fee income from consultancy and training services’. As already identified, limited grant aid is available to organisations wishing to pursue Partnership arrangements.

The wide-ranging variety of definition as outlined Table 2.3 could possibly allow for a managerialist interpretation and application of the Partnership principle in the UK.

Oxenbridge and Brown (2002:274) state ‘it seems that the low level of regulation of British employment relations has permitted a broad spectrum of managerial Partnership strategies to develop’.

63
Partnership in the Irish context, however, is firmly grounded in a Pluralist tradition significantly influenced by the European Social model. Gunnigle (1998:19) views recent developments in industrial change as suggesting there 'is a need for a new Partnership model of industrial relations which incorporates a strong union role' based on mutual gains principles and offering a break from historical adversarialism. The model is identified as a mutual gains model insofar as the partners enter into a set of mutual commitments which Gunnigle (1998) sets out as follows:

- Employers recognise and facilitate worker and trade union involvement in strategic decision-making.
- Workers/trade unions commit themselves actively to productivity improvements.
- The gains of productivity improvements are shared between employers and workers.
- Productivity improvements do not result in redundancies but rather employers actively seek new markets to keep workers gainfully employed.

(Gunnigle, 1998, p.19)

The mutual gains interpretation of Partnership is highly aspirational and idealistic and exceeds the principles and definition set out in the Partnership 2000 Agreement by a significant degree in that it automatically locks in employers on commitments to gain sharing and agreements on a policy of no redundancies.

No organisation operating in a competitive globalised market place can realistically make a pledge or that redundancies will never be considered. Oxenbridge and Browne (2002:267) identify that when companies are presented with serious competitive challenges ‘guaranteed job security was often the first component of many agreements to be renegotiated or sacrificed in such circumstances’.

While Gunnigle (1998:20) views Partnership definitively in the Pluralist tradition he does see an important role for the HR function -‘within this model, the personnel function becomes an important lever in developing the Partnership agenda’ Specific policies on reward, communications, job design and employee development are seen as being necessary to support the new orientation.
Roche and Turner (1998:86) similarly see Partnership as involving ‘the coordination of HRM initiatives with the conduct of collective representation and with collective bargaining’.

Martinez, Lucio and Stewart’s (2004:415) observation nevertheless clearly illustrates the closeness of relationship between Partnership and HRM.

The significance of the theories has more to do with their commonality of themes the differences between the models being largely semantic and more to do with emphasis. Practically all HRM models appear to share similar visions of employee involvement, empowerment, commitment to innovation and flexibility.

For the employer wishing to pursue a HRM strategy the challenge becomes the creation of a supporting organisation structure and culture which will underpin the move to a true HRM based organisation where the aspirations of HRM will be transposed into the norms and values of the organisation. These values are commonly based on the principle that human resources are valued assets as opposed to costs to the organisation and are to be perceived as a significant source of competitive advantage to the organisation.

Guest (1992:14) identifies the necessity for HRM techniques to require a supportive organisational culture and be reinforced through strategic integration with business strategy. Guest, Conway and Briner (1996:17) have identified the importance of HRM as a key influence in establishing a strong and positive Psychological Contract.

Flat and delayered organisation structures where decision-making is notionally devolved to the front end of the organisation are the norm. The creation of a Unitarist rather than Pluralist model where the interests of employer and employee are common and non adversarial. The creation and maintenance of an organisation culture whose norms and values promote organisation citizenship. Guest (1990:379) underlines the importance and necessity of HRM values to be reflected in the organisations culture and backed by an explicit strategy to utilise human resources and moreover to be supported and promoted by active leadership from the top;

To achieve full integration, not only should HRM be integrated into business strategy, but the various elements of HRM policy should cohere and that policy should be integrated into the
values and behaviours of line managers who, as the implementers must also be among the owners of the HRM policy.  

(Guest 1990, p.379)

Walton (1995:79) refers to the focus becoming commitment oriented rather than compliance and control oriented. The new HRM model is composed of policies which promote mutuality in goals, influence, respect, reward and responsibility.

The objective becomes the generation of a larger cake for the benefit of all stakeholders rather than conflict or competition over the division of an existing cake. Bramham (1994:18) states that in the past trade unions have concerned themselves with tactical day-to-day employment issues. This is alleged to have led to a neglect of wealth creation in favour of the trade union preoccupation with wealth distribution.

Storey’s model (Table 2.4.2) appears less aspirational and grasps the reality of operating in a unionised environment as befits the Irish context. In constructing the model Storey chooses to differentiate between HRM and the combined functions of Personnel and Industrial Relations which he sees as aspects of the same role. Storey perceives HRM as reflecting the same Unitarist culture as Guest (1990) which inevitably creates a lesser role for trade unions in representing the interests and rights of employees as was their remit in the more Pluralist or adversarial context of old fashioned Personnel Management.

Bramham (1994) affirms this view in posing the question;

Trade unions in the past have sought to raise the importance of the employee in the organisation. But if a company has come to recognise the centrality of employees – then whither the trade unions?".

(Bramham, 1994, p.118)
Table 2.4.2
The Storey model of PIR and HRM: the Differences

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Personnel and IR</th>
<th>HRM</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Beliefs and assumptions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contract</td>
<td>Careful delineation of written contracts</td>
<td>Aim to go beyond Contract</td>
</tr>
<tr>
<td>Rules</td>
<td>Importance of devising clear rules/mutuality</td>
<td>Can do outlook</td>
</tr>
<tr>
<td>Guide to</td>
<td>Procedures/consistency</td>
<td>Business needs</td>
</tr>
<tr>
<td>Management action</td>
<td>Control</td>
<td>Flexibility/commitment</td>
</tr>
<tr>
<td>Behaviour referent</td>
<td>Norms/custom &amp; practice</td>
<td>Values and mission</td>
</tr>
<tr>
<td>Management task</td>
<td>Monitoring</td>
<td>Nurturing</td>
</tr>
<tr>
<td>Vis-à-vis labour</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nature of relations</td>
<td>Pluralist</td>
<td>Unitarist</td>
</tr>
<tr>
<td>Conflict</td>
<td>Institutionalised</td>
<td>De-emphasised</td>
</tr>
<tr>
<td>Standardisation</td>
<td>High (e.g. parity an issue)</td>
<td>Low (not viewed relevant)</td>
</tr>
<tr>
<td><strong>Strategic aspects</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Key relations</td>
<td>Labour/management</td>
<td>Business/customer</td>
</tr>
<tr>
<td>Initiatives</td>
<td>Piecemeal</td>
<td>Integrated</td>
</tr>
<tr>
<td>Corporate plan</td>
<td>Marginal to</td>
<td>Central to</td>
</tr>
<tr>
<td>Speed of decisions</td>
<td>Slow</td>
<td>Fast</td>
</tr>
<tr>
<td><strong>Line management</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management role</td>
<td>Transactional</td>
<td>Transformational leadership</td>
</tr>
<tr>
<td>Key managers</td>
<td>Personnel/IR specialists</td>
<td>General/business/line Mngr.</td>
</tr>
<tr>
<td>Prized mngt. skills</td>
<td>Negotiation</td>
<td>Facilitation</td>
</tr>
<tr>
<td><strong>Key levers</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foci of attention for interventions</td>
<td>Personnel procedures</td>
<td>Wide ranging cultural, structural and personnel Strategies</td>
</tr>
<tr>
<td>Selection</td>
<td>Separate, marginal task</td>
<td>Integrated</td>
</tr>
<tr>
<td>Pay</td>
<td>Job evaluation, multiple fixed grades</td>
<td>Performance related Few if any grades</td>
</tr>
<tr>
<td>Conditions</td>
<td>Separately negotiated</td>
<td>Harmonisation</td>
</tr>
<tr>
<td>Labour/ management</td>
<td>Collective bargaining, Contracts</td>
<td>Toward individual contracts</td>
</tr>
<tr>
<td>Thrust of relations with Stewards</td>
<td>Regularised through Facilities and training</td>
<td>Marginalized (with the exception of some bargaining for change models</td>
</tr>
<tr>
<td>Communication</td>
<td>Restricted flow/indirect</td>
<td>Increased flow/direct</td>
</tr>
<tr>
<td>Job design</td>
<td>Division of labour</td>
<td>Teamwork</td>
</tr>
<tr>
<td>Conflict handling</td>
<td>Reach temporary truces</td>
<td>Manage climate and culture</td>
</tr>
<tr>
<td>Training and development</td>
<td>Controlled access</td>
<td>Learning companies</td>
</tr>
</tbody>
</table>

(Source: 1992 cited in Redman and Wilkinson 2001 p9)
Storey (1992) sees the nature of the relationship with shop stewards as being one where they are ‘marginalized, with the exception of some bargaining for change models’. The role of shop stewards becomes almost unnecessary in mediating the day-to-day relationship between employer/management and employees.

Armstrong (2001) cites Guest’s support for this view in identifying HRM values as being:

Unitarist to the extent that they assume no underlying and inevitable differences of interest between management and workers. Individualist in that they emphasise the individual organisation linkage in preference to operating through group and representative systems.

(Armstrong, 2001 p.11)

Wallace, Gunnigle and McMahon (2004:426) state the Unitarist perspective involves no apparent conflict of interest as opposed to the more conventional personnel management or Pluralist tradition where much activity is devoted to managing an adversarial relationship.

Some writers state a more explicit incompatibility between HRM and trade unionism. Bramham (1989) asserts that there will be no place in a company’s HR strategy of those who threaten the continuity of the organisation by attacking its basic aims.

Guest (1990) citing Kochan et al (1989) in regard to the context of HRM in America;

They claim that American managers share a deeply embedded anti-union sentiment. Indeed they note that the Unitarist perspective of the psychological growth theories underpinning HRM sits comfortably with the individualist, anti-union stance of employers combining to provide a coherent anti-union or at least non-union strategy.

(Guest, 1990 p.388)

In the same article Guest (1990) in exploring the main thesis that HRM reflects elements of the American Dream identifies some of the reasons why HRM as a philosophy has had a compelling attraction for the American psyche where the myth that the shoeshine boy can become President or whatever he wants through hard work, self improvement and application, is such a prominent feature. In the 80’s HRM had a particular resonance insofar as it was perceived as a solution to Japanese competition and was a set of beliefs of America’ own inventions Guest (1990) illustrates this by referring to three central themes in the soft designation of HRM:
a belief in the potential for human growth.
- a desire to improve the opportunities for people at work.
- a reinforcement of the importance of strong leadership, a kind of rugged entrepreneurial individualism reflected in and reinforced by a strong organisational culture.

(Guest, 1990, p.393)

Since each of these also reflects an element of the American dream HRM can be seen as a contemporary manifestation of that dream.

Legge (1995:66) refers to Guest’s 1987 model as ‘a soft developmental humanist model’ which sees the importance of involving people, treating them as valued assets, perceiving them as a source of competitive advantage through their commitment, adaptability and high quality of skills and performance and contribution. Legge does not, however, play down the essential requirement of integrating HRM policy with business objectives and strategy.

On the other hand Legge (1995:66) identifies the hard model as emphasising the ‘quantitative, calculative and business strategic aspects of managing the headcount resource in as rational a way as any other economic factor’. Armstrong (2001:11) states that the ‘hard version of HRM regards people as human capital from which a return can be obtained by investing judicially’.

Guest (1999:79) puts the position in a more forthright manner in referring to HRM as ‘reflecting a long standing capitalist tradition in which the worker is regarded as a commodity’.

Bratton and Gold (1999:5) state that the transition from Personnel Management to HRM did not happen in a political and economic vacuum, it reflected an ascendancy of a new political ideology and the changed conditions of national and global capitalism.

Bratton and Gold (1999:25) suggest that the one point of agreement between academics in relation to HRM seems to be that its evolution has been tied to and influenced by the political
ideology and new economic order to the late 1980’s and the ‘radical conservative and neo-liberal’ governments of Margaret Thatcher and Ronald Reagan.

Redman and Wilkinson (2001) state that in the main, developments in HRM have been driven by large-scale organisation change as employers adjust to a more competitive global economic environment;

To meet some of the challenges organisations have been downsized, delayered and decentralised are now less hierarchical in nature, have adopted more flexible forms and have been subjected to continuing waves of organisational change programmes such as total quality management, business process re-engineering, performance management, lean production, learning organisation and a seemingly relentless series of culture change initiatives. (Redman and Wilkinson, 2001, p.5)

Armstrong (2001:11) cites Guest (1992) belief that the driving force behind HRM is the ‘pursuit of competitive advantage in the marketplace by the provision of high quality goods and services, through competitive pricing linked to high productivity and through the capacity to swiftly innovate and manage change in response to changes in the marketplace or to breakthroughs in research and development’.

Guest (1992) identifies that the growth of HRM in the UK in the 1980’s was a product of the political, economic and business climate of that of that time and that the UK looked to the US as a model of good business practice and particularly the area of HRM where American multinationals tended to lead the innovation.

Armstrong cites Guest’s four policy goals for HRM:

- **Strategic integration** The ability of the organisation to Integrate HRM issues into strategic plans, ensuring that the various aspects of HRM cohere and provide for line managers to incorporate an HRM perspective into their decision-making.

- **High Commitment** Behavioural commitment to pursue agreed goals and attitudinal commitment reflected in a strong identification with the enterprise.
- **Flexibility** Functional flexibility and the existence of an adaptable structure with the capacity to manage innovation. Developing an organisation structure which is adaptive, receptive to innovation and offering functional flexibility.

- **High Quality** This refers to all aspects of managerial behaviour which bear directly on the quality of goods and services provided, including the management of employees and investment in high quality employees.

  (Armstrong, 2001 p.11)

Armstrong (2001) identifies the characteristics of the HRM approach:

- It meets the needs for a strategic approach to the management of the human resource which achieves fit between the business and Human Resource strategy.
- The importance of gaining commitment to the organisations missions and values is stressed.
- Employees are seen as assets to be invested in through the provision of learning opportunities and the developing of a learning organisation.
- Human resources are seen as a source of competitive advantage.
- The approach to employee relations is seen as Unitarist as opposed to Pluralist, employees share the same interests as employer.
- Performance and delivery of HRM is a line management responsibility.

  (Armstrong, 2001 p.12)

### 2.8.1 The alternate view of HRM rhetoric

There is considerable debate as to whether HRM is a selfless and employee centred philosophy built around concepts of human capacity and opportunity for personal expression at work and the harnessing of these attributes for a Unitarist and collective greater good or whether it is a cynical and exploitative manipulation of employee’s hearts and minds riddled with ambiguities and contradictions.

Is HRM merely a social or business construct, an invention of a right wing free market and conservative world-view on perceived business, economic and social reality? Legge (1995)
considers these tensions and ambiguities in her analysis of the ‘rhetoric’ and the reality’ of HRM and in the differentiation between Hard and Soft HRM. Legge (1995) sees HRM rhetoric as a ‘mask for the less acceptable face of the enterprise culture.’

Watson (2004:464) sees much in HRM writing that is narrow in focus and sometimes does not look beyond the rhetoric. He borrows on Ledge’s description of much of the writing on Personnel Management from the 1970s as not going beyond ‘stilted generalisation’ and not dealing with the complexities and dynamism of real organisations to describe current shortcomings and limitations in much of the contemporary HRM analysis.

There is a need to ‘recognise that social, political, economic and discursive patterns at the societal level and global level both influence and are influenced by patterns of strategic human resource management in work organisations’. HRM is shaped by broad contextual influences but also brings its own influence to those contexts of economics, culture and society. At the same time, however, Watson (2004) states that ‘social science and ideology need to be kept at a distance from one another’;

To define HRM as an activity whose purpose is to achieve competitive advantage is not only to ignore the human resourcing work done in non-market oriented work organisations, it is to take for granted – and therefore to treat as incontestable – competitive market, capitalist values. By anchoring the analysis of HRM at the level of corporate performance and competitiveness, as opposed to situating it within patterns of societal and global power and inequalities, such approaches preclude the possibility of any significant social science analysis.

(Watson, 2004, p.464)

Bratton and Gold (1999:25) sound a similar warning that ‘theoretical models at best provide only a crude representation of actual workplace relations and the complex phenomena known as HRM’.

Drucker's (1951) view of a business enterprise having a triple personality is cited in Armstrong (2001) and has similar resonances;

It is at once an economic, a political and a social institution, in the first place it produces and distributes incomes, in the second it embodies a system of government in which managers collectively exercise authority over the managed, but are also themselves involved in an intricate pattern of political relationships. Its third personality is revealed in the plant community which evolves from below out of face to face relations based on shared interests, sentiments, beliefs and values among various groups of employees.

(Armstrong, 2001 p.736)
The myriad of influences, collective and self interests and the potential difficulties in bringing reconciliation are clearly evident and are a useful position from which to view the Pluralist perspective. The reconciliation of these issues of self-interest becomes the basis of Industrial Relations. Watson’s (2004) view that social science and ideology must be kept separate is persuasive in informing a position where it becomes difficult to reconcile the Unitarist view that HRM ideology can modify or submerge what is natural human self-interest, ambition and occasionally greed, all of which seek expression within the individual and within social groups within society generally but more importantly in life of all organisations. These conflicts have indeed been the great preoccupation of writers and dramatists for centuries and will continue to be so.

Armstrong (2001) points out the inconsistency of the alternate Unitarist perspective;

Management tends to view the organisation as a unitary system with one source of authority - itself - and one focus of loyalty- the organisation. It extols the virtue of teamwork, where everybody strives jointly to a common objective, everyone pulls their weight to the best of their ability and everyone accepts their place and function gladly following the leadership of the appointed manager.

(Armstrong, 2001 p.736)

These sentiments are identified as being admirable but sometimes lead to what McClelland (1963) as cited in Armstrong (2001:736) referred to ‘as an orgy of avuncular pontification on the part of the leaders of industry’.

Armstrong (2001:736) ultimately concludes that the Unitary view is autocratic and authoritarian and finalises his assessment of the unitary view by stating that the philosophy of HRM with its emphasis on commitment and mutuality is based on the unitary perspective.

From a political and economic perspective the wage - work contract between employee and employer is fraught with potential conflicts and particularly the wage-effort bargain which implies that reward to the former represents a cost to the latter.

From a sociological perspective the fact of management and it’s orientation to leading, planning, organising and controlling creates a power imbalance where HRM notions of employees as empowered stakeholders does little to redress this imbalance or create a new
equilibrium. The control of resources, reward and the continuity of employment remain as management prerogative. The shaping of HRM policy itself which seeks to define the nature of the relationship remains as a senior management policy-making initiative. The marginalisation of trade unions in the HRM model further erodes the position of employees in creating a check and balance influence.

Whether the emergence of HRM is a product of neo-liberal economic values in the UK and USA as Watson’s (2004:16) thesis might suggest or merely a coincidence of events remains open to question. Bach and Sisson (2000) state:

The supply-side revolution unleashed by successive Conservative Governments allowed managers to unleash an unprecedented degree of strategic choice in shaping the employment policies of individual organisations.

(Bach S and Sisson K, 2000 p.19)

For the employee, Ackers (2001:393) suggests that HRM offers a Faustian pact with the enterprise culture.

Bach and Sisson (2000) suggest that acquiescence to HRM values had more to do with fears of job security and high levels of unemployment and the consequent shift in the balance of power than the persuasiveness of the ideology itself. In identifying a cynicism which had begun to creep in by the late 90s they state:

More generally managers as well as employees became worn down and cynical about the continual restructuring, downsizing, subcontracting, work intensification, long hours and contract culture that they were expected to endure. This appeared to be a far cry from the high commitment model that was promised but rarely delivered.

(Bach and Sisson, 2000 p.13)

Sisson (1994:45) pessimistically concludes that ‘The rhetoric may be the people centred approach of the soft version, the reality is the cost reduction approach of the hard version’.

Bratton and Gold (1999:65) identify that the HRM model poses a threat to trade unions in four ways; the individualising of the employment contract, the demise of union representation, the intensification of work and the undermining of union solidarity.
Wallace, Gunnigle and McMahon (2004:426) see irreconcilable differences or incongruities in the notion that employer and employee interests can be Unitarist ‘in the capitalist framework there is an inbuilt conflict between management and employees over the price of labour’ they identify this conflict as ‘the very basis for the existence of industrial relations’. Another basic value of HRM which provides reason for further incongruity is the fundamental issue of HRM policy and principle being aligned to business strategy. Downsizing and outsourcing are clearly strategies where employee and employer interests are not coincidental.

Gunnigle (1998:20) see difficulties and conflict in the HRM value of job tenure commitments where high levels of competition and volatility in markets make such certainties more tenuous. Recent evidence in the Irish public and private sectors highlight this difficulty where organisations in both the public and private sector such as Bank of Ireland and Aer Lingus have seen radical change in orientation. Bank of Ireland has outsourced its entire IT function. Aer Lingus which was formerly the employer of choice in the Irish market is seeking to change its business model using Ryanair’s lean ‘no frills, no fat, no unions’ model as a template for competition. Emmet Oliver (2004) in the Irish Times quotes Roisin Shortall, TD who stated that Aer Lingus were making a big mistake copying Ryanair strategy ‘it now seems to be a case of choosing between Ryanair one and Ryanair Two’.

The airline has had to confront difficulties following earlier deregulation in the industry and the effects experienced post “9/11” where some national airlines disappeared from the map.

Gunnigle (1998:11) identifies this inherent inconsistency ‘Indeed it is argued that job tenure commitments are a necessary precondition in achieving a mutuality of employer and worker interests’. The ambition for HRM that it be aligned with business strategy is also explored and again Gunnigle points to a lack of congruence where the strategy might be to maximise the returns to shareholders by replacing labour with technology, contracting out or intensification of the workflow.

Marchington and Grogulis (2000:1105) refer to Pfeffer’s (1998) list of sixteen elements of best HRM practice where employment security is included as an essential priority, ‘this is seen as fundamental in order to underpin the remainder of the HR practices principally because it is regarded as unrealistic to ask employees to offer their ideas, hard work and
commitment without some expectation of security’. They cite Pfeffer’s ‘other reason’ for not laying people off too readily as ‘constituting a cost for firms that have done a good job selecting, training and developing their workforce layoffs put important strategic assets on the street for the competition to employ’.

Pfeffer writing in a text ironically entitled The Human Equation: Building Profits by Putting People First has outlined this unsympathetic view which can only serve to underline the very incongruities in HRM philosophy;

We argue that HRM practices such as team working which appear superficially attractive may not offer universal benefits and empowerment but actually lead to work intensification and more insidious forms of control.

(Marchington and Grugulis, 2000 p.1105)

Work intensification is driven by clearly enunciated HRM values of flexible as opposed to formally defined and tightly circumscribed roles, and the similarly expressed principle of the adaptive workforce (Guest 1991:152). The Storey HRM model (Table 2.4.2) defines an ambition for and on behalf of employees to ‘aim to go beyond contract’. In these models the employer will determine reward based on performance related pay procedures.

Bach and Sisson (2000:19) refer to HRM as ‘promising a new dawn for personnel management in the UK’. As a source of competitive advantage while simultaneously claiming to bring improvements to the quality of working life HRM had found a new respectability and had created a new strategic mission for the management of people at the highest levels in the organisation, Personnel Management had come of age. The ambition was not to be realised and the sometimes overblown rhetoric came to nothing;

Proponents considerably underestimated the will and ability of senior managers to make the necessary changes. The UK’s business system with its overriding emphasis on short term profitability, could hardly have been more hostile; while the ever intensifying competition, far from driving firms up-market, encouraged many simply to reduce their cost base through restructuring.

(Bach and Sisson, 2000 p.19)

HR managers frequently found themselves being diverted from promoting the HRM agenda as a consequence of having to commit time to the management of redundancies created by restructuring programmes.
Ackers (2001) asserts that;

The sheer ambiguity of HRM poses it’s biggest ethical problem, leading to charges of misrepresentation and bad faith. It’s intention could almost appear duplicitous. What so often sounds like a species of Left wing ethical thinking promoting something extra for employees turns out on closer examination to be a sugar coated edition of Right wing moral and economic philosophy.

(Ackers, 2001 p.393)

2.8.2 HRM and the interface with Industrial Relations in the Irish context

Roche and Turner (1998:68) recognise three broad ways in which HRM policies and trade unions interface in the Irish context:

1. The adoption of HRM policies as union avoidance strategy.
2. The adoption of HRM policies in a manner which avoids co-ordination with collective bargaining, an approach known in the literature as ‘Dualism.
3. The adoption of HRM policies in ways which seek explicitly to come to an accommodation with collective representation by co-opting unions to joint programmes of change or workplace governance, or in other words Partnership at local enterprise level.

Each of these approaches ranging from union exclusion to union engagement which has become known as Partnership will be considered and ultimately we must ask what factors are necessary for Partnership to operate within an organisation?

2.8.2.1 Union Avoidance or Substitution

In the first of the three ways identified above where HRM practices have been adopted as union avoidance it will become apparent that the practice is most common in “greenfield” multi-national start up situations most likely in hi-tech, hi-value employment areas. Roche and Turner (1998) cite Hourihan 1996;

“In the period Jan 1994 to Nov. 1995 a total of 32 new foreign owned companies employing more than 100 employees established subsidiaries in Ireland. Only two of these companies recognised a union and none of the US firms which accounted for 20 of the companies recognised a union”.

(Roche and Turner, 1998, p.70)
These organisations have attempted to eliminate the necessity for employers to recognise and enter into negotiating arrangements to regulate pay and conditions and other matters affecting the employment relationship. Geary and Roche (2001) state;

When a comparison is made of the degree to which US and other foreign owned workplaces established since the mid 1980s diverge from Irish workplaces established over the same period, what is particularly striking is the dramatic relative decline in the odds of union recognition among the US group. Thus the trend in recognition is dominated by a remarkable rise in non-union workplaces among US employers entering Ireland since the mid 1980s.

(Geary and Roche, 2001, p.120)

Sophisticated HRM practice will generally be perceived to be the mechanism for removal of the necessity for unionisation in tandem with above average pay and conditions, opportunities for employee development, effective communication mechanisms, commitment to the quality of working life. Commitments to employee engagement and the psychological contract operate hand in hand with high employee involvement models;

A union substitution strategy focuses on removing the triggers to unionisation through the use of so called “soft” HRM practices, employees are seen as a resource to be developed, motivated and integrated into the firm.

(Roche and Turner, 1998 p.91)

Wallace, Gunnigle and McMahon (2004:430) cite Flood and Toners (1997) assertion that ‘the major advantage of union substitution lies not in clear economic cost-benefit but rather in allowing the firm scope to develop a unitary company culture to foster warm personal relations...... They go on to state that conclusive evidence exists to identify ‘substantial growth’ in non-union approaches in companies establishing new facilities in green field site situations since the 1980s.

Flood and Toner (1997) cite Kochan et al (1986) in listing a set of practices or strategies used by large non-union companies to eliminate the triggers to unionisation:

1. Pay and conditions
2. A high rate of investment in training and development
3. Exertion of considerable effort to create secure employment and avoid layoffs
4. Sophisticated systems of communication and information sharing
5. Informal mechanisms for or encouragement of participation in decision making about how the work is to be carried out
6. The development of a psychological climate that fosters and rewards organisational loyalty and commitment
7. The creation of rational transparent wage and salary administration and performance appraisal and promotion systems that reward merit and recognise seniority
8. Non union grievance procedures
9. Localisation of new production facilities in rural areas or in areas only sparsely unionised
10. The use of employee selection procedures which weed out workers who might be pro union

(Flood and Toner, 1997 p.270)

In their commentary on this list, Flood and Turner (1997) identify the importance of pay and conditions of being at least equal to or greater than those paid to workers in comparable industries and firms. This has certainly been the Irish experience where MNCs lead the market in pay, conditions and benefits and would have an ambition to demonstrate that employees will generally fare better in securing better wage increases than would be available through the Social Partnership Agreements.

Geary and Roche (2001:111) reaffirm this position. ‘US establishments in contrast to indigenous workplaces were more likely to agree pay rates which were not only higher than other companies in their sector (41%), but also more importantly were in excess of national wage norms (66%)’.

The related point No.7 on Kochan et al’s list as cited by Flood and Toner (1997) observes the importance of creating a pay system that is seen to be fair but also has the objective of reducing collectivism and tapping into motivation.

Other commentary relates to the importance of communication, participation in decision-making, creation of a climate that fosters organisational commitment as being key shapers of a Unitarist culture.
In an earlier study Toner (1985) examined the assertion that unionised workers have more voice in the workplace than their non-union counterparts and more specifically whether employees in unionised plants find personnel policies and management-employee relations more satisfactory than employees in comparable non-union plants. A total of 244 production workers in seven manufacturing plants were surveyed where each plant had an average of 300 employees. Four of the plants were unionised and three were non-union, Toner (1985:200) concluded that ‘Workers in the non-union companies appeared to enjoy more voice, better conditions and higher morale than their non-union counterparts……and the type of large non union companies studied typically devotes more resources to personnel management than the average unionised company’.

This view is endorsed by Geary and Roche (2001) in a later article;

In summary foreign owned companies were distinctive in a number of ways. They were more likely to have a designated personnel specialist and the function more likely to be represented at board level. They would also seem to have made more efforts to communicate with and involve employees. Initiatives like employee involvement in ad hoc task forces, suggestion schemes, joint consultative committees, and task participation were notably more pronounced.  

(Geary and Roche, 2001 p.124)

It is important to look at the scale of both contribution and influence of the foreign owned MNC to the Irish business landscape. Gunnigle (1998:5) states that ‘direct foreign investment is a critical feature of Irish Industry and foreign firms account for 50% of manufactured output and three quarters of industrial output’. He continues to identify a key feature of MNCs as being a well developed and resourced personnel function operating at senior management level. Their contribution in the Irish context has been the diffusion of new personnel techniques and the fact that they have led the way in introducing new developments.

Looking at the ICT sector alone which employed a total 90,000 people in 2001 and had a turnover of €51 billion accounted for about one sixth of employment in manufacturing. Some 42,000 of the total number employed were in direct manufacturing and of these 34,000 were employees of foreign owned MNCs with an average number of 339 employees compared to 55 employees for Irish owned enterprises in this sector. Foreign owned direct manufacturing accounted for €31.5 billion of the total turnover. (CSO 2003)
Seven of the ten largest ICT companies in the world have a substantial operating base in Ireland. It is here that we are most likely to find large sophisticated organisations with highly developed and resourced HRM functions whose preference is to operate in a non-union environment. Intel, Hewlett-Packard, Microsoft and Dell being typical examples.

Turner, D’Art and Gunnigle, (1997) refute the assertion that the MNCs operate to their own HRM agenda. They state;

The evidence of change emerging from this survey does not fully support the hypothesis that the practices of multinationals are significantly different or that there is a new orthodoxy in industrial relations emerging in the multinational sector, we suggest that the impetus for change in employment practices is not to be found in the multinational sector but in the dynamic nature of competitive markets and the increasingly international movement of capital.

(Turner, D’Art, Gunnigle 1997 p.825)

In this article they challenge the view of Roche and Geary (1995) who argue that the influence of the host country or country of operation of MNCs in regard to industrial relations policy is being increasingly overridden by the country of origin effect or corporate view. They cite research carried out by Ferner (1998). Ferner (1998) borrows the term “isomorphism” from Zucker (1977) which refers to the effect or extent to which organisations adopt the same structures and processes as other organisations within their environment.

In a response to the findings of the Pluralism in Retreat article Geary and Roche (2001) robustly refute Turner et al’s ‘Conformance Thesis’ and go on to demonstrate that the employment relations practices of foreign and particularly US owned establishments are shown to be very different from Irish workplaces. They cite earlier work by Kelly and Brannick (1985) and Enderwick (1986) which claimed that the practices of MNCs operating in Ireland did not diverge significantly from Irish owned companies. Roche and Geary (2001) identify an importance influence;

Central to the conformance thesis position was the role played by national and regional development agencies in Ireland which had until the 1980s impressed upon incoming MNCs the desirability of respecting and abiding by the local practice of recognising trade unions and engaging in collective bargaining.

(Roche and Geary 2001p.110)
In the 70s and 80s the norm for foreign owned MNCs was to enter into pre-entry closed shop arrangements with general workers unions such as ITGWU and similarly with an appropriate craft or different craft unions representing the various trades employed.

Roche and Turner (1998) had cited Harahan’s 1996 survey, which recognised the trend where it became the norm for foreign owned MNCs operating particularly in the ICT sector to operate non-union facilities in new start-up or Greenfield site situations.

Roche and Geary (2001) state that this ambition was facilitated in the main by a relaxation if not abandonment of development agencies exhortation to conform to indigenous industrial relations practices. This opened the door for MNCs to develop their own approach to managing employee relations and to abandon conformance to local norms and practices;

Foreign owned companies were found for example to place more emphasis on direct communications, to possess better resourced HR Depts and line management was held to be responsible and more accountable for good employee relations. In all, MNCs were seen to have progressively given added emphasis to developing a direct relationship with their employees. Further we pointed to the prevalence of American high tech firms among those establishments using sophisticated non-union human resource policies.

(Geary and Roche, 2001 p.111)

Dundon et al. (2005) in considering the process of managing employee voice in non union organisations in the UK given that ‘union voice is a minority phenomenon’ and is now the exception rather than the norm, argue against the standpoint of a position where our views ‘are skewed by shunting such processes off into a pre-packaged box marked ‘non union and inadequate’ in contrast to ‘union and effective’,

Not alone are these active in non-union organisations but similarly are evident practices in unionised organisations where there are not Partnership arrangements but where strong HRM policy and practice are evident.

Royle (1998:1026) cites Marginson and Sissons’s (1994) assertion that MNCs will find it difficult to avoid industrial relations practices in different countries ‘because they are so deeply embedded in societal frameworks’ but also their suggestion that MNCs are ‘increasingly beginning to question their involvement in national systems of industrial relations and develop their own organisation based employment systems’.
This is evident in the practice of MNCs setting up in Ireland in the last ten years particularly in the IT and Pharmaceutical sectors where it has become the norm not to recognise trade unions and to conclude pay deals generally more generous than settlements achieved under national agreements. This equally applies to MNCs who have existing facilities in Ireland established in the 70s and 80s, where the older plants have union representation and the new facilities do not. Some organisations in this category are again exceptional where, in the older unionised facilities they have elected to negotiate their own wage settlements outside of national agreements where acceptance of ongoing change becomes a quid pro quo for increases above the national norm.

Geary and Roche (2002:12) ultimately conclude that not only do the MNCs and particularly US owned MNCs differ in their HRM and IR practices but that evidence suggests that the host country is more influenced by rather than influencing their practices and standards as suggested by the conformance thesis of D’Art et al. ‘The practices of MNCs may well have acted as an important catalyst and exemplar for change among Irish owned companies’

This possibility may well be an important influence in shaping what Roche and Turner (1998:76) refer to as Dualism.

2.8.2.2 Dualism

Roche and Turner (1998:76) describe dualism as ‘the uncoordinated adoption of HRM policies in parallel with adversarial Industrial Relations’. They state that the evidence suggests that by far the most common practice in Irish companies to date has been for management to adopt HRM policies in a piecemeal fashion or fragmented manner without any attempt to use these policies to promote union substitution or indeed de-recognition as in the UK. Roche and Kohan (1996:22) suggest that it has not been common for companies in general to adopt consistent sets of HRM policies from across the range of best practice HRM models.

Roche and Turner (1998:77) suggest that survey evidence did indicate that the incidence of HRM policy innovations was lowest in those policy areas which traditionally have been most heavily regulated by collective bargaining such as performance related pay or performance management systems or flexible work practices.
It would be difficult, indeed impossible to identify how an organisation could introduce such significant and far reaching change without considerable consultation, negotiation and agreement.

IBEC, however, in their Human Resource Management Survey 2002 report that formal performance management processes are operated by 73% of all 432 companies surveyed. The figures for unionised and non-unionised companies are 70% and 77% respectively. IBEC’s interpretation is as follows - “The view held by some commentators that trade unions are hostile, or at least ambivalent to performance management systems is not supported by the survey”. In Table 2.4.3 however, detailing features of the performance management process thrown up by the survey the following figures are listed:

<table>
<thead>
<tr>
<th>Features of performance management systems</th>
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</thead>
<tbody>
<tr>
<td>Annual appraisal</td>
<td>74%</td>
</tr>
<tr>
<td>Objective setting and review</td>
<td>73%</td>
</tr>
<tr>
<td>Personal development plans</td>
<td>63%</td>
</tr>
<tr>
<td>Performance related pay</td>
<td>47%</td>
</tr>
</tbody>
</table>

(Source IBEC, Human Resource Management survey 2002 p23)

These figures would tend to suggest that while performance management systems appear to be the norm for most organisations a lot of the activity tends toward the soft end of the performance management process such as annual appraisal, objective setting and review and the creation of a personal development plan. The significant figure which does not support IBEC’s thesis, however, is that less than half of the sample (47%) are involved with PRP. Individual PRP systems pose a significant problem for unions where decisions on individual merit based increases are not a subject for negotiation but are decided unilaterally by management and effectively removes the union from the process. The Performance Management Development System (PMDS) adopted by the public sector being an example of a system which does not have a performance related pay dimension. The Trade Union
Movement’s difficulty with the performance based pay concept is illustrated by Oxenbridge and Brown (2002) where opposition was manifest even in organisations which had explicitly stated Partnership arrangements;

While employers agreed almost unanimously that their ‘partners’ assisted them in implementing change there was some evidence of unions also restricting or slowing change. They gave examples of trade unions resisting and provoking opposition to management attempts to restructure working hours, enhance flexibility, change work practices and shift from collective bargaining to performance related pay systems.

(Oxenbridge and Brown, 2002 p.266)

Elsewhere the Executive Summary of the IBEC Human Resource Management Survey 2002 identifies that 43% of all organisations with performance management systems do not use a rating system. Rating systems are used as a basis for performance related pay decisions.

Of the sample of 432 companies 48% stated that they did not recognise a trade union. It is highly probable that that this corresponds with the 47% above who state that they operate a performance related pay strategy.

Roche and Turner (1998) state ‘a significant change in these areas (pay and work organisation) is likely to run into strong union resistance, or to require the active cooperation of trade unions’.

Roche and Kochan (2001) identify that ‘Soft HRM initiatives such as direct communications, quality circles, suggestion schemes were of less direct interest to unions and were less inimical to traditional collective bargaining custom and practice and were least likely to meet with resistance’.

Roche and Turner (1998) state;

The higher the level of union organisation, the greater the level of employees attachment to unions and the more influence and control over areas of employment which HRM policies and innovations seek to address, the greater the likelihood that such policies and innovations will be at best ineffective if they are not co-ordinated with collective bargaining.

(Roche and Turner, 1998 p.97)

Dualism ultimately describes a situation where a traditional collective bargaining status quo is maintained side by side with new HRM initiatives and where those HRM initiatives avoid
upsetting that status quo. Guest and Conway (1999) would positively exhort trade unions not alone to embrace the HRM agenda but to actively promote it.

Using a national sample of 1000 employees they examined the proposition that those working in what they term ‘Black Hole’ organisations (these are characterised as organisations where there is neither a set of progressive HRM practices nor a trade union) will report more negative attitudes and work experiences than those in settings where there is either HRM, a trade union presence or both. The survey findings suggest that it is HRM practices rather than union membership that has the major impact on attitudes and experiences and that this can be largely explained by a positive psychological contract between the individual and the organisation;

The findings suggest that at organisational and establishment level trade unions have not always been able to follow national level trends, and that if they were to promote fairness in the workplace, then, among other things, they should overcome their understandable scepticism and place more pressure on management to adopt progressive HRM policies.

(Guest and Conway, 1999, p.10)

The acceptance of HRM and new works practices in the Irish context has created the possibility of Partnership and its position as part of the fabric of employee relations.

2.8.2.3 Partnership

Roche (1999) in seeking a definition of ‘new industrial relations’ cite the phraseology of other writers, ‘productivity coalitions’ (Windolf 1989:1-20), ‘a new productivist covenant between capital and labour’ (Rogers and Streeck,1995:375) ‘co-operative IR/HRM practices’ (Regalia and Regini 1985:131-63) and identify some of the components of new industrial relations practices areas of pay, work organisation, employee and trade union voice, recruitment and selection practices, performance management systems and provision for the governance of firms;

When occurring in combination or in bundles, new work practices are usually regarded – certainly in the Anglo-Saxon literature- as the basis for a new model of industrial relations also variously described as “mutual gains”, “jointist”, “Partnership”, “joint governance” or “joint management model”.

(Roche, 1999 p.2)
Roche and Turner (1998:90) seek to identify three broad models of Partnership as being apparent in recent Irish experience. These models fall within the principles set out in the earlier definition of Partnership and based on the work of Verma and Cutcher-Gerschenfeld (1993) but all ‘reflect an underlying concern on the part of management to integrate HRM policies and related innovation in work organisation and production systems with collective representation through trade unions’. Roche and Turner (1998) describe how unions had demonstrated a willingness to move away from a traditional adversarial stance to matters of change and innovation and ‘explore with management possible blueprints for the reconstruction of industrial relations. The three models are identified as follows:

1. A Consultation Focused Model -
   The co-ordination of HRM policies with collective representation
   - Union involvement through regular briefings with shop stewards and officials on company plans
   - Routine provision of information on plans and performance
   - Consultation and involvement on task forces and project teams
   - No new structures, works councils or committees
   - No change of status quo regarding concession of joint decision making
   - Consultative channels existing side by side with collective bargaining

This is described as approximating to ‘a relatively weak version of Partnership’ as defined by the literature. The status quo regarding the right to manage remains unchanged, no new structures are created and there is no extension of union voice in decision-making. The extension of consultation and direct involvement in project teams to facilitate the introduction of change which allow for employee input are viewed as encouraging employee openness to HRM norms and values.

Roche and Turner claim;

The model provides a viable and highly effective basis for winning both employee and trade union acceptance of HRM policies, flexible working arrangements and high levels of staff involvement in work.

(Roche and Turner, 1998, p.90)
Some organisations embracing this model may well feel disinclined to define their relationship with employees and unions as a Partnership arrangement with all that implies. It is likely that some organisations may prefer to categorise the culture as being HRM and high involvement’ oriented.

2. A Joint Decision Making Model

- New joint management/union structures
- Formal voice for unions in company decision making
- Ambition to make decisions on consensus basis
- Union parity or near parity on joint committees

Roche and Turner (1998) state that such joint decision-making arrangements are as yet uncommon in Ireland but claim that where they do exist that they are likely to ‘endorse or support or otherwise smooth the path of initiatives focussed on direct employee involvement’. The creation of new structures which run in tandem with the already established collective bargaining arrangements can result in;

The lines between both channels becoming blurred in ways that neither party finds unacceptable. For example once decisions have been reached in the joint forum, it may prove easier for the sides to reach agreement in subsequent rounds of negotiations on the issue involved. Likewise grievances and disputes which might otherwise have sparked rounds of negotiations can be reduced in frequency and intensity.

(Roche and Turner, 1998 p.91)

Roche and Turner’s (1998) use of the phrase ‘in ways that neither party finds unacceptable’ would seem to imply that the outcome of creating new structures would appear to be that rather than competing or indeed trying to undermine each other, they act as a mutual support in reducing and ultimately resolving conflict and indeed find mutual acceptance by the employer and trade union alike.

3. Transitional models

Where companies have embarked on exploratory dialogue with their trade unions in a process whose intent is to transform the industrial relations climate. The talks are
conducted outside the negotiation and bargaining structures and are perceived as a first step or transitional stage.

**Transitional models - Partnership is recognisable in:**

- The emergence of new procedural ground rules for the conduct of dialogue.
- The purpose and scope of the dialogue.
- The parties are free to explore alternative models for management/union relations.
- They may agree a common set of principles to guide their dealings.
- Pursuit of competitive advantage to preserve jobs and support good pay and conditions.
- Discussion of business plans, product strategies, new technologies.

(Roche and Turner, 1998:92)

**2.8.2.4 Partnership Penetration in Ireland**

Two key surveys have investigated the penetration of Partnership into the Irish industrial relations process:

2. The Forum of the Workplace of the Future taking a sample of 5198 employees.

The IBEC survey reports 22% of organisations having a formal Partnership arrangement. The following table indicates that Partnership arrangements are most likely to be found in UK based companies and least likely to be found in US based organisations. Such arrangements are more likely in unionised (37%) than in non-union organisations (9%). These figures would seem to confirm earlier references to US multinational companies operating sophisticated management led HRM strategies and employee involvement initiatives in a non-union environment. In regard to industry type traditional manufacturing was most likely and financial services least likely. Larger companies employing 250 plus were most likely at 34%. Companies with less than 5 years operating experience in Ireland were less likely at 17% than companies with more than 5 years operating experience.
Table 2.5
Incidence of Formal Partnership arrangements by Company

<table>
<thead>
<tr>
<th>Industry:</th>
<th>% of Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>High-Tech Manufacturing</td>
<td>22</td>
</tr>
<tr>
<td>Other Manufacturing</td>
<td>27</td>
</tr>
<tr>
<td>Financial Services</td>
<td>16</td>
</tr>
<tr>
<td>Other Services</td>
<td>24</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Size:</th>
<th>% of Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 50 employees</td>
<td>10</td>
</tr>
<tr>
<td>50 - 249</td>
<td>27</td>
</tr>
<tr>
<td>250 employees or more</td>
<td>34</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Years in Operation in Ireland:</th>
<th>% of Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 years or less</td>
<td>17</td>
</tr>
<tr>
<td>More than 5 years</td>
<td>24</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ownership:</th>
<th>% of Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Irish</td>
<td>26</td>
</tr>
<tr>
<td>Foreign</td>
<td>21</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Foreign-owned:</th>
<th>% of Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>18</td>
</tr>
<tr>
<td>UK</td>
<td>31</td>
</tr>
<tr>
<td>EU</td>
<td>24</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Unionisation:</th>
<th>% of Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unionised</td>
<td>37</td>
</tr>
<tr>
<td>Non-unionised</td>
<td>9</td>
</tr>
</tbody>
</table>

| All Companies                 | 22             |

(Source IBEC, 2002 p.71)

The IBEC survey does not differentiate between the terms participation and involvement, the survey does, however distinguish participation from formal Partnership arrangements and offers the following table to outline the representation of various participation activities.
### Table No 2.5.1

**Areas/ initiatives of employee participation**

<table>
<thead>
<tr>
<th>Areas/Issues</th>
<th>Employees Participation (% of companies)</th>
<th>Employees consulted only</th>
<th>Employees directly involved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Team Meetings</td>
<td>72</td>
<td>18%</td>
<td>47%</td>
</tr>
<tr>
<td>Customer Care Initiatives</td>
<td>48</td>
<td>32%</td>
<td>45%</td>
</tr>
<tr>
<td>Suggestion Schemes</td>
<td>40</td>
<td>25%</td>
<td>49%</td>
</tr>
<tr>
<td>Quality Initiatives</td>
<td>51</td>
<td>29%</td>
<td>49%</td>
</tr>
<tr>
<td>Performance Appraisals</td>
<td>57</td>
<td>26%</td>
<td>46%</td>
</tr>
<tr>
<td>Team-based working</td>
<td>40</td>
<td>19%</td>
<td>60%</td>
</tr>
<tr>
<td>Employee Financial Involvement Initiatives</td>
<td>21</td>
<td>55%</td>
<td>30%</td>
</tr>
<tr>
<td>Health &amp; Safety Programmes</td>
<td>74</td>
<td>24%</td>
<td>48%</td>
</tr>
<tr>
<td>Other Initiatives</td>
<td>2</td>
<td>38%</td>
<td>38%</td>
</tr>
<tr>
<td>Total</td>
<td>432 (100%)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(Source: IBEC Survey p.70)

The final category, other initiatives, listed under the heading “Areas/Issues” is referred to in a footnote and includes Buying/merchandising; Communications/Employee forum; Partnership; Policy development; Suggested Improvement workshops; Work practices/Projects. A total of 38% of respondents reported involvement in these areas.

This Table does indicate a much higher level of employee involvement activity than the previous table which identified companies participating in formal Partnership arrangements with their trade unions;

However this masks high incidences of informal employee involvement policies and practices adapted to organisational cultures, particularly in the private sector and including many non-unionised companies.

(IBEC Survey, 2002)

Geary and Roche (2002) reaffirm this trend;

Alongside ‘Partnership companies’ are more workplaces where employers pursue exclusionary strategies or prefer individual or direct mechanisms for employee participation.

(Geary and Roche 2002 p14)

Gunnigle had indicated the emergence of this trend back in 1997 where he referred to;
Widespread evidence of employer initiatives to facilitate higher levels of employee involvement in operational decision making; these initiatives often form part of drives toward Total Quality Management or World Class Manufacturing, are generally aimed at involving the individual worker and do not necessarily involve trade unions.

(MacDubhghaill, 1997, p.2)

The IBEC survey figures on penetration of Partnership are closely confirmed by the Forum survey findings where levels of 23% are reported for all sectors.

Fig 2.5.2
Forum Survey, 2003 - Extent of Partnership and participation in the workplace (%)

<table>
<thead>
<tr>
<th>Presence of arrangement</th>
<th>Personally involved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partnership</td>
<td>23</td>
</tr>
<tr>
<td>Participation</td>
<td>37.5</td>
</tr>
<tr>
<td></td>
<td>26.5</td>
</tr>
<tr>
<td></td>
<td>71.2</td>
</tr>
</tbody>
</table>

Source: Forum Survey- Employees views and experiences, 2003

Closer analysis of the 23% ‘Partnership presence’ figure is skewed by Public Sector figures of 45.4% which masks a Private Sector experience of 17.7%.

The Forum Survey seeks to differentiate between Partnership and Participation.

Partnership refers to collective organisation in which employee representative work with management to promote Partnership and co-operation, or to improve the organisation’s performance;

Whereas Participation refers to modes of direct involvement and consultation over the way work is organised and carried out in work teams, problem-solving groups, project groups, quality circles or continuous improvement programmes or groups.

(O’Connell, Russell, Williams and Blackwell p.17)

Their differentiation is slightly at odds with much of the HRM literature which does not tend to use the term participation presumably because of its historical association with the Pluralist concept of worker democracy a term largely displaced by the Unitarist HRM language. The term ‘participation’ is used in the Worker Participation (State Enterprises) Act of 1977 which established the right of employees to elect Worker Directors to the boards of large state bodies. Employee involvement concerns involvement in decisions at operational
level whereas participation or *Partnership* concerns engagement with decision making at a more strategic level.

In seeking to achieve a deeper understanding of Table (2.5.2) the 23% identified is defined as indicating that ‘*Partnership* committees involving management and unions exist in the workplace’. It is not entirely clear if the 37.5% in this table represents unionised workplaces, or non-unionised or both. It is worth noting that the existence of participation arrangements where unions are represented does not necessarily or automatically imply a *Partnership* arrangement. Roche (1999) investigating the ‘limited diffusion of new industrial relations and human resource practices in the international context cite Kochan 1986, Cooke 1990, Guest, 1995, Roche and Turner 1998;

A further complication introduced by empirical research is the preference of significant numbers of firms to engage in compound or mixed industrial relations and human resource strategies. These can involve a limited and pragmatic willingness to countenance *Partnership* or mutual gains arrangements, allied to a preference, wherever possible to suppress or limit union influence, or to practice union substitution.


Roche’s (1999) analysis of diffusion of new work practices and the question of participation versus *Partnership* and the role of unions as being an ingredient of the *Partnership* process as identified in the forum survey again causes a measure of confusion in an emerging certainty of definition as to what *Partnership* actually means;

A survey of firms affiliated with the Involvement and Participation Association and thus likely to be untypically committed to workplace *Partnership*, revealed that less than half saw a necessary role for unions in successful *Partnership* organisations. Many of the practices associated with *Partnership* and new industrial relations were present to variable and modest degrees.

(Roche, 1999, p.13)

The Forum Survey 2003 conducted a separate survey of employers’ views and experiences and provides further insights into the question of what percentage of private sector employers have explicitly declared *Partnership* arrangements. The survey offers a more specific breakdown of the incidence of involvement as opposed to *Partnership* initiatives.
The figure of 4.3% for explicitly declared *Partnership* arrangements is at significant odds with the IBEC figure of 22%. If, however, the figure for informal *Partnership* arrangements (19.3%) from the forum survey is added the total (23.6%) approximates closely to the IBEC finding. The IBEC survey does not differentiate between explicit and informal *Partnership* arrangements. A significant feature of this table is the fact of 62.4% of organisations in the sample had direct involvement of employees in decision-making and problem solving compared to only 4.3% having explicitly stated *Partnership* arrangements. It is important to draw the distinction between employee involvement existing at the operational level as opposed to partnership which is considered as employee participation at strategic level.

### Table 2.5.4

<table>
<thead>
<tr>
<th></th>
<th>Public Sector</th>
<th>Private Sector</th>
<th>All</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Yes</strong></td>
<td>46.8%</td>
<td>17.7%</td>
<td>23.0%</td>
</tr>
<tr>
<td><strong>Personally involved</strong></td>
<td>76.1%</td>
<td>24.5%</td>
<td>26.4%</td>
</tr>
</tbody>
</table>

(Source Forum Survey 2003)

Participants while appearing to be at one on the intent of Social *Partnership* nevertheless seem to have different experiences depending on whether the position is being viewed from the Public or Private sector perspective.

Government as employer committed to driving the sectoral strategies developed under the Strategic Management Initiative on “a participative basis between management and staff”
Partnership 2000) and subsequently. These strategies are now being advanced through participative structures put in place under P 2000 to involve all public servants in the change process (PPF).

Given that there is an imperative that Public Sector bodies engage with the Partnership process it is not surprising that higher levels of participation are demonstrated for this sector. Geary and Roche (2002) state that Government while having been sympathetic to trade union concerns that Partnership at enterprise level is significantly less conspicuous ‘has avoided adopting a directive approach in deference to employers’ reservations’

Certainly the option of legislating for union participation in management decision-making was not seen as a feasible option. To pursue such a course would have endangered government officials and industrial development agencies argued ‘capital flight’ amongst foreign owned enterprises. As a consequence the Government has adopted a largely exhortative and non-interventionist position.

(Geary and Roche 2002 p.13)

Geary and Roche’s (2002) position affirms an earlier view expressed by John Dunne, Director General of IBEC, that ‘Statutorily based mandatory representation for employees would not help develop real employee involvement in companies’ Mr Dunne’s comment as reported by Yeates (1997) was in response to a statement by Padraig Flynn European Commissioner for Social Affairs where he warned employers and unions that ‘he will introduce new legislation for Partnership in the workplace if they cannot agree voluntary guidelines’. (Yeates 1997).

The agencies most likely to be involved in Partnership arrangements are the trade unions themselves (at local level) and management. Over a third of Partnership arrangements involve employees directly and around a third involve IBEC.
Table 2.5.5

Agencies involved in Partnership

<table>
<thead>
<tr>
<th>Agencies</th>
<th>% of Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unions</td>
<td>77</td>
</tr>
<tr>
<td>Management</td>
<td>64</td>
</tr>
<tr>
<td>IBEC</td>
<td>34</td>
</tr>
<tr>
<td>ICTU</td>
<td>3</td>
</tr>
<tr>
<td>Employees Directly</td>
<td>35</td>
</tr>
<tr>
<td>Employees Works Council</td>
<td>20</td>
</tr>
<tr>
<td>Staff Association</td>
<td>8</td>
</tr>
<tr>
<td>Other Agencies</td>
<td>7</td>
</tr>
<tr>
<td><strong>Total No. of Companies - 96</strong></td>
<td><strong>(100%)</strong></td>
</tr>
</tbody>
</table>

(Source: IBEC HRM Survey 2002 p.71)

From Table 2.5.6 it can be seen that Partnership arrangements cover a wide variety of issues.

Table 2.5.6

Areas of Partnership

<table>
<thead>
<tr>
<th>Areas</th>
<th>% of Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training and Development</td>
<td>47</td>
</tr>
<tr>
<td>Organisational Change Initiatives</td>
<td>57</td>
</tr>
<tr>
<td>Occupational Health &amp; Safety</td>
<td>46</td>
</tr>
<tr>
<td>Equal Opportunities</td>
<td>26</td>
</tr>
<tr>
<td>Family-friendly/Work-life Balance</td>
<td>31</td>
</tr>
<tr>
<td>Communications</td>
<td>49</td>
</tr>
<tr>
<td>Competitiveness</td>
<td>47</td>
</tr>
<tr>
<td>Adaptability/Flexibility/Innovation</td>
<td>40</td>
</tr>
<tr>
<td>Problem Solving/Conflict Avoidance</td>
<td>53</td>
</tr>
<tr>
<td>New Forms of Work Organisation</td>
<td>41</td>
</tr>
<tr>
<td>Forms of Financial Involvement</td>
<td>31</td>
</tr>
<tr>
<td>Other Issues</td>
<td>8</td>
</tr>
<tr>
<td><strong>Total No. of Companies - 96</strong></td>
<td><strong>(100%)</strong></td>
</tr>
</tbody>
</table>

(Source IBEC HRM Survey 2002 p.72)

2.8.2.5 Objective of Partnership Arrangements

From Table 2.5.7 it can be seen that the primary or key objectives for companies with Partnership arrangements are to: create a joint understanding of company aims; to improve employee relations and to improve communications.
The Table is significant insofar as it does not reflect any terms which might be construed to increase union involvement or indeed employee involvement at a more strategic level. Geary and Roche (2002) observe ‘where *Partnership* approaches have been adopted they have been more commonly used to address issues of an operational nature rather than strategic concerns’.

<table>
<thead>
<tr>
<th>Objectives</th>
<th>% of Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>To create joint understanding of company aims</td>
<td>29%</td>
</tr>
<tr>
<td>To improve employee relations</td>
<td>17%</td>
</tr>
<tr>
<td>To improve communications</td>
<td>15%</td>
</tr>
<tr>
<td>Develop employee ownership</td>
<td>13%</td>
</tr>
<tr>
<td>To increase profits</td>
<td>12%</td>
</tr>
<tr>
<td>Increase employee motivation</td>
<td>5%</td>
</tr>
<tr>
<td>To fully utilise skills of employee</td>
<td>5%</td>
</tr>
<tr>
<td>Top Priority</td>
<td>Top Three Priorities</td>
</tr>
<tr>
<td>29%</td>
<td>51%</td>
</tr>
<tr>
<td>17%</td>
<td>48%</td>
</tr>
<tr>
<td>15%</td>
<td>48%</td>
</tr>
<tr>
<td>13%</td>
<td>32%</td>
</tr>
<tr>
<td>12%</td>
<td>20%</td>
</tr>
<tr>
<td>5%</td>
<td>34%</td>
</tr>
<tr>
<td>5%</td>
<td>20%</td>
</tr>
</tbody>
</table>

(Source IBEC Survey, 2002 p.72)
Table 2.5.8

Effectiveness of Partnership in Achieving Objectives

<table>
<thead>
<tr>
<th>Objective</th>
<th>Very effective</th>
<th>Mostly effective</th>
<th>Partly effective</th>
<th>Not effective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase employee motivation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Develop employee ownership</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To fully utilise skill of employees</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To improve communications</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To increase profits</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To create a joint understanding of company aims</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>To improve employee relations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(Source; IBEC HRM Survey 2002 p.73)

From Table 2.5.8 it can be seen that there is a close correlation between the key objectives and the effectiveness of Partnership in helping to achieve these objectives (i.e. to create a joint understanding of company aims, to improve employee relations and to improve communications).

The Forum Survey reports:

Two-thirds or more of respondents see Partnership arrangements as having positive effects on issues of direct interest to employees job satisfaction, pay and conditions and employment security- as well as of importance to the organisation- performance, willingness to embrace change and the confidence with which employees co-operate with management.

(O'Connell, Russell, Williams, Blackwell, 2004 p.111)
Curiously the Forum survey identifies “the perceived impact of participation arrangements is even more positive than that of Partnership”. Over 85% of respondents considered that participation has a positive impact on productivity and performance, co-operation with management and the willingness to embrace change.

Forum Survey findings on the relationship of participation and the relationship of Partnership to job satisfaction were reported as follows:

Direct involvement of workers through regular consultation or through team working practices etc. (participation) are found to have a positive impact on job satisfaction. The positive effect is strongest for consultation. Indirect involvement through formal Partnership has no effect on work satisfaction.

(O’Connell, Russell, Williams, Blackwell 2004 p.117)

A direct relationship was also identified between the frequency of information exchange and particularly in relation to organisational plans and budget/sales/profits and higher satisfaction levels.

A quarter of the companies with a formal Partnership arrangement have a formal evaluation mechanism in place to monitor the Partnership programme.

2.8.2.6 Opposition to Partnership Strategy

Companies were asked whether they had experienced any opposition to their company Partnership strategy. Less than a quarter (23%) of companies with Partnership arrangements stated that they had experienced opposition. That opposition usually came from more than one source in a company. (See Table 2.5.9).

In the IBEC Human Resource Management Survey of 2002 the question of opposition to Partnership strategy is posed to participating organisations. The survey reports that 23% of companies with Partnership arrangements stated that they had experienced opposition.
These figures would seem to imply that the new relationship and roles seem to be problematic for both employers and unions alike. The figures seem to suggest that at strategic or senior management level there appears to be less opposition and that the highest levels of opposition appear to come from individuals further down the organisation who feel that a dilution of personal power and influence could result from these initiatives.

Higgins (1999) cites Christer Marking speaking at the NCP conference in Dublin in 1999 identified the importance of top management support for the process and how ‘middle managers could be the greatest hindrance to change’.

Top management support gives the process legitimacy that spills over to the people involved as project managers. Without clear top management support middle management can always point at the leader and say ‘he does not like it either’.

(Higgins 1999 p. 17)

Roche (1999:9) in an analysis of the diffusion of new industrial relations practices in Anglo Saxon countries but also considering evidence from European countries cites Regini’s claim that the change process was dominated by ‘pragmatic eclecticism’ rather than comprehensive programmes aimed at restructuring industrial relations in the face of new comprehensive pressures”. The absence of a ‘holistic’ or ‘systemic’ approach to participation by the 1990’s involving a combination of direct and participative approaches supported by complimentary HRM policies was noted by Heller (1998) as cited by Roche (1999:12) in reference to the work of the Industrial Democracy in Europe Research Group;

Table 2.5.9
Source of Opposition to Partnership Strategy

<table>
<thead>
<tr>
<th>Source of Opposition</th>
<th>% of Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unions</td>
<td>50</td>
</tr>
<tr>
<td>Employees</td>
<td>41</td>
</tr>
<tr>
<td>Supervisors</td>
<td>27</td>
</tr>
<tr>
<td>Middle Management</td>
<td>27</td>
</tr>
<tr>
<td>Senior Management</td>
<td>14</td>
</tr>
<tr>
<td>Total No. of Companies</td>
<td>22 (100%)</td>
</tr>
</tbody>
</table>

(Source IBEC survey p.73)
Overall, levels of participation appeared little different to what they had been when the IDE group had begun its empirical research in the 70s. Still in the 1990s the group judged the prospects for 'democratic practices' to be somewhat limited.

(Roche, 1999 p.11)

While the official face of IBEC has consistently supported the concept of Partnership and has been a willing and enthusiastic participant in Social Partnership at national level, differing perceptions do appear to exist about the certainty of this position where the membership may not entertain the same dedication. Geary and Roche (2002) comment that the agreed definition (Partnership 2000 Agreement) of Partnership is ‘broad and general’ and allows for both representative participation and direct employee participation;

The latter in particular was designed to meet the concerns of the employer’s organisation, Irish Business and Employers Confederation whose varied membership, which includes unionised and non unionised firms, had very different perceptions of the merit or otherwise of cultivating close relations with trade unions.

(Geary and Roche, 2002 p.12)

Geary and Roche (2002:12) affirm this position in their reference to the ‘considerable concern and disquiet’ being expressed within the union movement that the influence and voice permitted to them at national level has not been ‘replicated at workplace level’.

Allegations of union avoidance and marginalisation have become commonplace. With this duality in union fortunes, observers have come to talk increasingly of a system of industrial relations which is replicated by a “truncated Partnership”.

(Geary and Roche, 2002 p.12)

A similar inconsistency and lack of certainty would also seem to exist where the trade union movement through congress are enthusiastic advocates of the Partnership process and Geary and Roche (2002) identify the concern and disquiet at the failure of a Partnership trickle down effect to enterprise level yet the IBEC survey sees the trade unions themselves as the greatest source of opposition to Partnership. It must be noted of course that the survey population is comprised of organisations who are employers and IBEC members but while the largest percentage of respondents (50%) recognised the trade unions as a source of opposition equally significant figures were returned for their own employees, supervisors and middle managers at 41%, 27% and 27% respectively.
2.8.3 Why choose Partnership? - influences

Is engagement with Partnership at local enterprise level a moral and ethical imperative for organisations as implied by Guest and Peccei who assert ‘partnership is a matter of principle – it is the right thing to do’ (cited by Knell, 1998, p.5) or are there more compelling reasons?

Change and the need to engage union agreement and support are recurring themes in the literature (Martinez, Lucio and Stewart, 2004; Oxenbridge and Brown 2002; Ackers and Payne 1998). Knell in an analysis of 15 organisations and the routes they had taken on the journey to Partnership identifies a common realisation that partnership became a necessary approach to the successful introduction of organisation change:

This is the factor that comes closest to a common driver across all of the case study organisations. In a number of cases the organisations were explicit that they realised from the outset that in order to embark on the degree of transformation in working practices and work organisation that they envisaged they would have to recast the overall character of their employee relations practices.

(Knell, 1999, p.18)

Partnership was therefore seen as necessary in securing employee understanding and support for the introduction of important organisational change. Change can be the slow and evolutionary, social change at macro level or alternately at the micro level of the organisation where the imperative for change usually happens within a more condensed and urgent time frame. Ackers and Payne (1998:531) suggest that British business is beginning to accept the reality ‘and adjusting to the longer term inevitability of our entanglement with an EU social policy informed by Social Partnership’. European social policy has informed the development and progress of Social Partnership in the Irish context but there can be no denying that impending economic catastrophe was the impetus for an accelerated acceptance by the social partners of a concept that had previously only merited the most tentative of approaches from all of the social partners, Government, employers and trade unions alike.

The situation would appear to be replicated at micro level Roche and Turner (1998:99) assert that the impetus for Partnership ‘is most likely to develop where the parties experience an acute commercial crisis’ Oxenbridge and Brown (2002:265) refer to these incidents as ‘critical incidents' viewed as ‘threats to company survival'.
Did employers opt for Partnership because they had no choice or is it simply that they were more likely to be disposed toward Partnership in the first place because of their long standing relationship with trade unions? Indeed, most of these firms had pre existing strong recognition arrangements, but had rebranded their relationship as Partnership after working through hardships together.

2.8.3.1 Critical Incident – impending financial crisis

The critical incident findings of Oxenbridge and Brown (2002) mirror the assertion of Roche and Turner (1998;99) that the impetus for Partnership is ‘most likely to develop where the parties experience an acute commercial crisis, seek to make the case for further investment from a parent company, or anticipate a major change in future commercial circumstances’.

A second dimension to the ‘critical incident’ effect cited by Oxenbridge and Brown (2002) indicate a factor common to the production based organisations in their research was a ‘long standing adversarial relationship with unions’ which because of the critical incident factor had been translated into Partnership relationships. This was reported in seven of the eleven firms studied in the sample.

2.8.3.2 New senior HR or Personnel Managers or new owners

Another influence identified by Oxenbridge and Brown (2002:265) was the ‘appointment of a new senior HR or Personnel Manager, or in some establishments, new owners who were disposed toward Partnership’. Such changes are described as ‘coinciding with a culture shift’ although it is not explicit whether the personnel changes were responsible for the culture shift or the appointment of HR staff with a different perspective was the product of some deliberate senior management strategy for change.

This finding is reinforced by Roche and Turner (1998:100) assessment of factors in the emergence and development of Partnership arrangements where an important role is played by the ‘values and ethos of senior Human Resource Managers... and their influence in senior management decision making’.
2.8.3.3 Existing management predisposed to union involvement in change

The perception of new or existing managers that the engagement and involvement of the companies trade unions in the implementation of change initiatives made necessary by competitive or financial difficulties. Mergers and acquisitions were identified as an influence where a takeover involved the integration of a unionised workforce in a ‘Transfer of Undertaking’ context. This influence would be particular to the UK where competitive tendering meant the outsourcing of some activities in public sector organisations to the private sector. This was particularly relevant to organisations in the service sector where managers perceived that union/employer relationships were a fact of life if the company wanted to enter new markets, win contracts and build market share. Organisations in manufacturing, however, were seen as more likely to have ‘long standing, sometimes adversarial relationships as a result of some sort of critical incident usually financial crisis stemming from competitive difficulties’ (Oxenbridge and Brown 2002, p.270).

Roche and Turner (1998:101) alternatively identify ‘good pre-existing relations’ as playing an important role in the emergence of local Partnership arrangements. Partnership was seen to evolve ‘organically out of a strong bargaining relationship of a more conventional type’. A prerequisite was identified where good relations between management, elected officials and full time professional local officials ‘was born out of the handling of a crisis or out of earlier joint change initiatives’.

2.8.3.4 Union Density

Roche and Turner (1998:100) identify that Partnership is more likely to develop where union organisation is strong ‘at least in density terms and where by passing the union, marginalisation or de-recognition are not perceived as viable change options by management’. While de-recognition has been a common and well documented practice in post Thatcher industrial relations in the UK the author is not aware of any organisation in Ireland de-recognising. It has certainly been a practice, however, that multinationals who have a long history of manufacturing in Ireland have chosen non-recognition in newer plants opened from the 1990s forward and chosen a HRM focussed Unitarist model of employee relations where a Partnership arrangement is unlikely to emerge.
Oxenbridge and Brown’s (2002) study describe the union recognition rights and levels of engagement in firms within the research sample;

In general, production sector firms and establishments covered by transferred recognition agreements within outsourcing companies provided unions with fairly extensive recognition rights but the remaining service sector firms provided unions with minimal involvement in employment regulation.

(Oxenbridge and Browne 2002, p.268)

2.8.3.5 Reducing Union Voice

A surprise finding by Oxenbridge and Browne (2002) was that some firms were using Partnership as a concerted strategy to reduce rather than increase or consolidate union voice within the organisation. These were described as ‘agreements which accorded fewer rights or reduced union strength’. A variety of mechanisms were employed:

- Negotiating agreements or changes to existing agreements which explicitly limited union rights and activity within the workplace.
- Refusing to deal with difficult trade union officials and dealing only with officials perceived to be compliant.
- Endeavouring to reduce the number of unions the company dealt with.
- Taking steps to reduce union control over communication and consultative structures and increase management control over both.

(Oxenbridge and Brown, 2002, p.269)

Six of eleven organisations in the sample were considered to have adopted one or more of these strategies. A variety of mechanisms were employed including the replacement of collective negotiating of pay with performance related pay excluding union involvement in any aspect of pay setting, reframing existing agreements to define union rights of information and consultation only and finally removing union powers of veto in relation to proposed management change.

It is likely that this effect is confined to the UK where a culture of de-recognition developed in the post Thatcher years which resulted in a significantly reduced density, power and influence for the trade union movement. This effect has not happened in the Irish context and
despite falling density levels over the last ten years the range of trade union influence has probably increased as a consequence National Partnership Agreements.

2.8.3.6 As a route out of an adversarial industrial relations climate

A second dimension to the critical ‘incident effect’ cited by Oxenbridge and Browne (2002) indicates a factor common to the production based organisations in their research where a ‘long standing adversarial relationship with unions’ which because of a critical incident factor had been transformed into a partnership relationship. Knell (1999:17) recognises the same effect where a number of case studies described the route to partnership as an attempt to ‘break out of a cycle of poor industrial relations characterised by low trust and adversarial “them and us” attitudes’. Typically these were brownfield sites with a long tradition of unionisation.

2.8.3.7 Good pre-existing employee relations

Conversely, Roche and Turner (1998:101) describe how partnership ‘can appear to develop organically out of strong bargaining relationships of a conventional type’ where good pre-existing relationships are evident between management and unions. Knell (1999:18) in an approximate parallel describes how the adoption of partnership approaches can evolve out of the development of existing practices and philosophies in what he refers to as ‘the maturation of traditional paternalistic employee relations practices.

2.8.3.8 The postures and policies of unions

Roche and Turner (1998) saw this as an important influence particularly given the partnership strategy endorsed by ICTU. Positive and active union officials were seen as key to supporting industrial relations innovation but also the role of local shop stewards was viewed as an important influence;

The postures of shop stewards are clearly an important influence on industrial relations innovation. Usually it is they who act as the key union representatives in new industrial relations arrangements.

(Roche and Turner, 1998, p.101)

In Knell’s UK study, however, this influence did not come into play;
In none of the case studies were the partnership approaches started directly by employee activity or union initiative. Rather Partnership was prompted and led by specific senior staff or management teams (Knell, 1999, p.17)

SECTION C

2.9 PERSPECTIVES ON PARTNERSHIP

This section will consider the place of Partnership when viewed from the perspective of Burrell and Morgan’s (1979) views on Pluralism, Unitarism and the dimensions of interests, conflict and power. Partnership will be viewed as a concept which seeks to define itself through the language of Unitarism rather than Pluralism and seeks to avoid consideration of conflict as an implicit dimension of the Pluralist perspective.

Burrell and Morgan’s (1979) Four paradigms for the Analysis of Social Theory identifies the functionalist paradigm as being “at the forefront of the order conflict debate” and generally concerned with providing explanations for the status quo, social order, consensus, social integration, solidarity, need satisfaction and actuality.

The Partnership aspiration sees the pursuit of consensus and development of common interest as a move away from the adversarialism of the old world industrial relations characterised by conflict, industrial action where the parties had failed to identify common interests or perceive a common threat from a world that was becoming increasingly globalised and characterised by change and innovation in the pursuit of competitiveness.

The definition offered by the Partnership 2000 attempts to reconfigure the future of an Irish industrial relations model characterised by at least the language of Unitarism if not the values;

Partnership is an active relationship based on the recognition of a common interest to secure the competitiveness, viability and prosperity of the enterprise. It involves a continuing commitment by employees to improvements in quality and efficiency; and the acceptance by employers of employees as stakeholders with rights and interests to be considered in the context of major decisions affecting their employment.

(Partnership 2000, 1996, p.63)
The definition proposes that ‘common ownership of the resolution of challenges’ involving the direct participation of employees/representatives are significant elements of the Partnership concept. To achieve an understanding of where Partnership as a model within the Unitarist/Pluralist polarity it is necessary to consider the essential theory underpinning these concepts.

2.9.1 Unitarism and Pluralism

Burrell and Morgan (1979) consider the dichotomy of Unitarism and Pluralism:

- The unitary view of organisations tend to stress that an organisation is a co-operative enterprise united in the purpose of a common goal
- Organisations represent a network of sectional interest groups interested in the wider purpose of the organisation as a whole only insofar as it serves their own individual ends

(Burrell and Morgan, 1979, p.202)

Burrell and Morgan see the Pluralism vs. Unitarism debate as reflecting three sets of assumptions:
Table 2.6

The Unitarist and Pluralists views of interests, conflict and power

<table>
<thead>
<tr>
<th></th>
<th>Unitary View</th>
<th>Pluralist view</th>
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<tbody>
<tr>
<td>Interests</td>
<td>Places emphasis upon the achievement of common objectives. The organisation is viewed as being united under the umbrella of common goals and striving toward their achievement in the manner of a well integrated team.</td>
<td>Places emphasis upon the diversity of individual and group interests. The organisation is regarded as a loose coalition which has but a remote interest in the formal goals of the organisation.</td>
</tr>
<tr>
<td>Conflict</td>
<td>Regards conflict as a rare and transient phenomenon which can be removed through appropriate managerial action. Where it does arise it is usually attributed to the activities of deviants and troublemakers.</td>
<td>Regards conflict as an inherent and ineradicable characteristic of organisational affairs and stresses its potentially positive or functional aspects.</td>
</tr>
<tr>
<td>Power</td>
<td>Largely ignores the role of power in organisational life. Concepts such as authority leadership and control tend to be the preferred means of describing the managerial prerogative of guiding the organisation toward the achievement of common interests.</td>
<td>Regards power as a variable crucial to the understanding of the activities of an organisation. Power is the medium through which conflicts of interest are alleviated and resolved. The organisation is viewed as a plurality of power holders drawing their power from a plurality of sources.</td>
</tr>
</tbody>
</table>

(Source: Burrell and Morgan, 1979)

Conflict becomes a natural outcome of the conflict of the various self-seeking interests represented in Pluralist organisations. These interests invariably may not coincide with the interests of the organisation itself, ‘individual and group interests are pursued as ends in themselves’. Donovan (1968:35) sees the role of senior management as attempting to find some equilibrium and stability for the organisation in the face of such competing interests. ‘Directors and managers have to balance these competing influences, and in practice they generally seek to strike for whatever balance will promote the welfare of the enterprise as such’.
Conflict or conflicts of interest within a *Unitarist* context appear almost as a contradiction since the organisation sees a commonality of interest and pursuit of common objective as being one of the organisations driving and uniting forces. In the context of the *Unitarist* view power is a peripheral issue, Burrell and Morgan 1979 consider that ‘concepts such as authority, leadership and control are preferred ways of describing the prerogative of managers to guide the organisation’. It could be argued that in this context that senior management are in a fundamentally better position to make decisions which are 100% objectively correct for the good of the organisation where their facility to make decisions is not circumscribed by the need to defer to other sectional interests within that organisation;

*Partnership* is an active relationship based on the recognition of a common interest to secure the competitiveness, viability and prosperity of the enterprise. It involves a continuing commitment by employees to improvements in quality and efficiency and the acceptance by employers of employees as stakeholders with rights and interests to be considered in the context of major decisions affecting their employment.

(Parntership 2000 Agreement, 1996)

Where does the Irish enterprise level *Partnership* model fit within Burrell and Morgan’s *Unitarist/Pluralist* theory construct? At first sight it may appear that in terms of *Pluralist* theory *Partnership* is capable of being viewed from the perspective of *interests* as an attempt by the main actors i.e. Government trade unions and employers to move the agenda from the sectional interests of *Pluralism* and consequent adversarialism and conflict of old world industrial relations to the recognition of common interests and the pursuit of consensus seeking and the engagement of employees who are now identified as stakeholders in the life of the organisation. While the concept is capable of this understanding there remains some ambiguity. The competitiveness, viability and prosperity are identified as common interests but the needs of the employer and the organisation for employees to commit to improvements are explicitly stated while employees’ rights to be considered as stakeholders whose interests must be considered in the light of changes affecting them. The definition straddles the language of *Pluralism* and *Unitarism*. 
2.9.1.1 Interests

The definition skilfully succeeds in blurring the lines of demarcation drawn between Unitarism and Pluralism in Burrell and Morgan’s (1979) model, a Unitarist aligned ‘recognition of a common interest’ shifts emphasis from Burrell and Morgan’s idea of the organisation being ‘regarded as a loose coalition which has but a remote interest in the formal goals of the organisation’.

2.9.1.2 Conflict

The Unitarist reconciliation of interests is underpinned by the joint trade off and accommodation to be achieved through ‘the acceptance by employers of employees as stakeholders with rights and interests to be considered in the context of major decisions’ This phrase surely belongs to the language of Pluralism but at the same time hints at a Unitarist focussed avoidance of conflict which can be achieved through the quid pro quo of employees ‘continuing commitment to improvements in quality and efficiency’.

2.9.1.3 Power

Does the definition redraw the boundaries and the balance of power between the parties? It is evident that the definition has been carefully negotiated over and the form of words and phrases crafted to address the normally disparate ambitions of both parties. At first sight it may seem that elevation of employees to stakeholder status and the acceptance by employers that employee rights must be considered in the context of major decisions. Elsewhere in the Partnership 2000 Agreement, however, it is explicitly stated that neither a specific model for progress to enterprise level Partnership will be imposed nor is participation mandatory for employers confirming the aspirational and voluntary nature of the agreement. The question which remains to be answered is whether employers wish to accede to a sharing of power and decision making and under what circumstances.

2.9.1.4 The challenge of definition

There is no doubt that the Partnership 2000 definition causes issues of perception for employers and employees alike as evidenced in the breakdown of the Partnership initiative in
An Post. Is Partnership advocating an entirely Unitarist interpretation where common interest is the most crucial dimension and where employees accept the rights of management to exercise power and make decisions on their behalf in a climate of acceptance and trust. Is the agreed definition alternately setting down a recognition of the potentially selfish needs of the enterprise while simultaneously acknowledging the acceptance of employees as stakeholders with potentially different rights and interests. Is the definition a clever piece of political draftsmanship which offers something for all the parties without demanding serious concession from any? Where does Partnership stand in the dichotomy of Unitarism versus Pluralism or should these more appropriately be perceived as opposing poles of a continuum as Oxenbridge and Browne suggest ‘Partnership relations can be characterised by a continuum of union involvement in the workplace’.

Roche and Turner (1998) illustrate the differences in perspective and meaning;

While ICTU interprets Partnership at firm level as allowing workers a say in corporate decisions such as future business and investment strategy and a share in company profits, IBEC, in contrast, prefer more direct participation such as team working, quality initiatives and employee involvement programmes.

(Roche and Turner, 1998, p.104)

Gunnigle et al (2001) in discussion on Ireland’s Industrial Relations system identify the centralisation of decision making on pay and other aspects economic and social policy worked out between the social partners in a series of centralised agreements identify the trade unions as having played a pivotal role in shaping economic and social policy to an extent not seen in most other countries in recent years. The succession of centralised agreements and the creation of a supporting infrastructure by Government to facilitate the progression of Partnership to enterprise level lead Gunnigle to assert;

All in all, the combination of these factors suggest a national system grounded in Pluralist traditions, and supportive of a prominent role for trade unions and collective bargaining in regard to both national level and enterprise level industrial relations.

(Gunnigle et al, 2001 p.24)

Would a more anodyne definition imply or expect too significant a shift toward an acceptance of managerialist HRM values and therefore diminish the role of the trade unions? Does the definition as it stands copperfasten Pluralism as the preferred industrial relations model and
indeed expand the voice of employees and their representatives? Ackers and Payne (1998) who are among Britain’s more vocal advocates of Partnership assert;

We hope to show that the discourse of Partnership, for all it’s vagueness and ambiguity provides an opportunity for British unions to return from political and economic exile, to this end we unravel the rhetoric of Partnership, stakeholding and business ethics, in order to distinguish the new term from the crudely managerialist employee involvement schemes of the 1980’s and explore what it offers British Unions in their quest to regain a central presence in the employment relationship.

(Ackers and Payne 1998 p.530)

Turner, D’Art and Gunnigle (1997) in considering the question “Pluralism in retreat” identify the contemporary tensions between Unitarism and Pluralism exacerbated by increasing globalised competition and capital flight to access cheap labour pools in developing countries. Concerns over job security can potentially see an abandonment of class interests in exchange for self-interest which is best served by identification with the interests of the business;

Consequently inside the firm the worker becomes more dependent on the fortunes of the employer and is therefore more concerned about the possibility of capital flight, plant closure and disinvestments. The realisation by workers that their interests are apparently linked to those of their employer rather than to the interests of the working class as a whole. This threatens the solidarity of national based unions which is further undermined by human resource management strategies which focus on the individual.

(Turner, D’Art and Gunnigle 1997) p.838)

Guest and Peccei (2001:208) in the search for a definition of Partnership where different writers emphasise ‘different elements and dimensions’ identify Partnership as falling within ‘three broad intellectual traditions and theoretical perspectives’, these traditions they claim can be Pluralist, Unitarist or what they term hybrid. The Pluralist incarnation has it roots in the European debate on workplace representation and is grounded in discussions on worker democracy and worker participation as viewed from a Pluralist perspective, Guest and Peccei (2001:209) see the German model where legislation sets out rights of co-determination, consultation and communication. The Irish Social Partnership model falls loosely into this category with the exception that there is right of co-determination as it exists in statutorily empowered works councils and two tier boards of directors as is the norm in a number of European countries.
The Unitarist framework seeks to integrate employer and employee interests, while at the same time maximising employee involvement in and commitment to the organisation, two broad strands are evident where financial involvement through share ownership arrangements are seen as the 'principal method of reconciling and aligning employer and employee interests'. The second strand sees direct employee participation and involvement in day to day operational rather than strategic issues but with a view to increasing employee commitment. Guest and Peccei see this as a rather one sided form of Partnership implying a low level of trust, American Organisation behaviour and HRM literature would be perceived as a close relation.

The debate on whether Partnership falls within a Unitarist or Pluralist dimension is taken up by Suff (2004) who declares that Partnership is ‘riddled with ambiguity perhaps reflecting very different assumptions about its nature’ It can be viewed from either a Unitarist or Pluralist perspective, it is capable of being viewed ‘as a veneer for HRM designed to weaken unions’ or as a device ‘which unions can use to strengthen their organisational capacities’.

Ackers and Payne (1998:532) whose research presents powerful advocacy for the Partnership concept suggest ‘a radical strategic conception of social Partnership grounded in the ideas of Gramsci which gives unions some hope of regaining the initiative in industrial relations’.

2.9.1.5 From interests to values

A shift is evident in the literature on Pluralism from Burrell and Morgan’s ‘emphasis upon the diversity of group and individual interests’. A similar interest perspective is taken by Farnham and Pimlott (1990) as cited by Provis (1996:476) where in examining the view of industrial relations as ‘deriving from Pluralist and conflict theory identify that ‘diverse pressure groups, pursuing their own self-interest through intergroup negotiation and compromise, are a basic feature of our society’. Provis, however, considers that there is an emerging orientation from an interest perspective toward a ‘culture and values’ perspective in Unitarist approaches to industrial relations. The pursuit of increased co-operation and commitment is allied to emphasis on strong culture and values’. Provis (1996:476) asserts ‘Proponents of the strong culture perspective view the construction of social realities that contribute to shared values as the very core of culture and central to high organisation performance’ (p.476).
An attempt to rebrand *Pluralism* in the language of values that had been the preserve of the *Unitarist* HRM rhetoric;

Management theory over the past two decades has *recast* *Unitarism* from a narrow ideology of shared interests into a more pervasive appeal to common organisational values and culture. The TUC rhetoric of social *Partnership* responds to the ethical turn of business by, at once, calling management’s bluff and redefining *Pluralism* in a more expansive and moralising language that stresses values- justice, fairness- rather than economic interest.

(Ackers and Payne, 1998, p.544)

While there is no doubt that the trade union movement in both Britain and Ireland see *Partnership* as an opportunity to extend their voice and influence. The ambition exists against a backdrop where organisations are more likely to pursue HRM strategies to promote the values of *Unitarism*. Gunnigle et al (2001) state;

The evidence further points to extensive management opposition to conventional *Pluralist* industrial relations despite the existence of a state system which has consistently promoted a consensus approach over the last two decades.

(Gunnigle et al, 2001 p.5)

2.9.1.6 Power and Pluralism

If HRM has been an attempt to rebrand *Pluralism* in the language of *Unitarism* then where does Burrell and Morgan’s (1979) consideration of power as part of their *Unitarist* and *Pluralist* frameworks rest within this apparent contradiction. The concept of *Pluralism* is not capable of examination without reference to the position of power within organisations. Kirkbride asserts;

The concept of power can thus be seen as pivotal to the *Pluralist* frame of reference. As Fox has argued “*Pluralism* is often associated with a belief that there can and should be, or indeed even is, a balance of power as between the principal interest groups in society”.

(Kirkbride, 1985, p.47)

It could be argued that the Irish Trade Union movement has sublimated it’s use of traditional industrial relations channels of power and the inevitable conflict in favour of a trade off in the local *Partnership* context for the power of direct input into organisational decision making. Fox’s (1975) argument as cited by Kirkbride (1985) seems hardly relevant in the contemporary context where he asserts;
Society is characterised, not by a power balance or equilibrium but by the presence of a great disparity of power between the owners and managers of economic resources and those who depend on those economic resources for their livelihood.

(Kirkbride, 1985 p.47)

The Marxist view of society as a struggle of the classes, the exploitation of one class by another, the exploitation of Labour by the Capitalist classes or the propertyless by the propertied appears to have lost much of it's relevance and seems to be a preoccupation of a 19th century world view rather than of 21st century consciousness. Access to education and healthcare, ownership of property, changes in the societies view of status and authority, the mobility of classes have all effected a shift in the historical bases of power in society.

Polsby cited in Lukes (1974);

One can conceive of ‘power’-'influence' and ‘control’ are serviceable synonyms- as the capacity of one actor to do something affecting another actor, which changes the probable pattern of future events. This can be envisaged most easily in a decision making situation.

(Lukes, 1974, p.13)

Conflict is perceived to be the outcome of such decisions in Luke’s Marxist analysis of the one-dimensional view of power.

Parsons (1963;17) refers to the ‘dominant tendency’ in the then contemporary writing to identify power as a ‘zero sum’ phenomenon where there is a fixed quantity of power in any relational system and ‘hence any gain of power on the part of A must by definition occur by diminishing the power of other units B, C or D’. Scott (2001) refers to Weber’s (1914) zero sum analysis where power relations are seen as ‘asymmetrical, hierarchical relations of super- and sub-ordination in which one agent can gain at expense of another’ In this analysis conflict is seen as a by product and struggles over the distribution of power will always involve winners and losers. Scott (2001) describes how the ‘core idea of power has been developed in two broad directions’ and gives rise to two broad streams of power research:

- The mainstream tradition has been principally concerned with the episodically exercised power that one agent has over another
The second stream of power research focuses on the dispositional capacity that actors have to facilitate certain things that lie at the centre of attention (Scott, 2001, p.6)

Weber’s zero-sum view falls within the mainstream tradition where the sovereign power of states is the main exemplar. Weber extends the investigation to other sovereign organisations such as businesses and churches. Scott (2001) describes a key area of the research as being the ‘relationship between economic power and political power as explored in elitist and Marxist theories of ruling classes and power elites’.

2.9.1.7 Power and Unitarism

The use of power in contemporary management practice informed by the philosophy of Human Resource Management begins from a different ideological standpoint which is Unitarist in perspective and grounded in Scott’s second stream of enquiry where Foucoult (cited in Scott 2001, p12) ‘stresses that power was not to be seen as the monolithic possession of a class or any other social agency’. Lukes (1974) cites Parson’s who views power as a being a lever of collective action rather than being the focus in conflicts of interest;

Parson’s conceptualisation of power ties it to authority, consensus and the pursuit of collective goals and dissociates it from conflicts of interest and particularly from coercion and force. Thus power depends on the “institutionalising of authority” and is conceived of as mobilising commitments or obligation for collective action. (Lukes, 1974 p.30)

For Parsons collective goals are the focus as opposed to individual goals or the goals of a specific faction or interest party. ‘Obligations are legitimised with their bearing on collective goals’ but nevertheless power is seen as a ‘generalised capacity to secure the performance of binding obligations by units in a system of collective organisation’ where these obligations are legitimised. Giddens (1968:75) asserts that in speaking of binding obligations Parsons ‘deliberately brings legitimation into the very definition of power’. Parsons (1968) asserts;

Seen in this light the threat of coercive measures, or of compulsion without legitimation or justification should not properly be called the use of power at all, but is the limiting case where power losing it’s symbolic character merges into an intrinsic instrumentality of securing compliance with wishes, rather than obligations. (Parsons, 1968, p.40)
For Parsons commitment and obligations in any institutionalised power system are treated as binding but the capacity to secure compliance is ‘not solely a function of one particular sanctioning act which the user is in a position to impose’. Lukes (1975:30) refers to Parson’s shift of emphasis from ‘power as expressing a relationship between individuals or groups, toward seeing power as a system property’. This view is reaffirmed by Scott (2001 who asserts that for Parsons power is rooted in the shared values that define the goals and purpose of a community;

Societal communities are organised around those values in which individuals have trust or confidence and that define positions of leadership whose occupants are endowed with the legitimate rights to issue commands and to make policy in relation to the values and purposes that members of the community hold in common.

(Scott, 2001, p.10)

Power is an actual and necessary dimension of every organisation, society and enterprise, it’s focus or application is not necessarily intent on repression or dominance or sectional interest, it’s source not necessarily sanction or the fear of sanction. Scott (2001) affirms this principle in citing research by Lukes and Giddens falling within his ‘second stream’ categorisation where power is seen as ‘the collective property of whole systems of cooperating actors’. The ‘facilitative or productive’ aspects of power are stressed as opposed to the repressive tendency;

Of particular importance are communal mechanisms that result from the cultural, ideological or discursive formations through which consensus is constituted. This is a variable sum or non-zero sum view of power: all can gain from the use of power and there need be no losers.

(Scott, 2001, p.9)

Giddens (1968) illustrates the principle by using the analogy of credit creation in the economy where individuals invest their confidence in those who govern them where the electorate vote to put a government in power and that government enact policies which further collective goals ‘there is more than a zero sum circular flow of power. Everybody gains from this process’.

The exercise of power in contemporary organisations which are Unitarist in orientation draws legitimacy from the explicitly stated values of Human Resource Management and where those values underpin an organisational culture which is not only affirmative to employees but also
recognises the contribution of employees as being fundamental and necessary to the success of the organisation. The role of culture in organisations which embrace the spirit of HRM as well as its rhetoric acts as a powerful determinant of employee commitment, contribution and conduct. Conflict is not viewed as an inevitable consequence of the exercise of power in this organisation model.

Eyde and Linter (1996) cite Foucault;

Power is not seen wholly as a negative force which has tended to underpin the attitude of Marxists to discussions of power, for whom power exists in terms of domination or repression. For Foucault power can be a positive and productive force.

(Eyde and Linter, 1996 p.65)

2.9.1.8 Power and HRM

Turner, D’Art and Gunnigle (1997) in considering the question “Pluralism in retreat” identify the contemporary tensions between Unitarism and Pluralism exacerbated by increasing globalised competition and capital flight to access cheap labour pools in developing countries. Concerns over job security can potentially see an abandonment of class interests in exchange for self-interest which is best served by identification with the interests of the business;

Consequently inside the firm the worker becomes more dependent on the fortunes of the employer and is therefore more concerned about the possibility of capital flight, plant closure and disinvestments. The realisation by workers that their interests are apparently linked to those of their employer rather than to the interests of the working class as a whole. This threatens the solidarity of national based unions which is further undermined by human resource management strategies which focus on the individual.

(Turner et al, 1997 p.825)

Bacon 2001 recognising the tensions created by differences in definition and expectation state that Partnership;

Can be defined in both Unitarist and Pluralist terms. Rather unsurprisingly the definition favoured by the TUC is Pluralist, with the stress placed on respecting union influence, whereas the Institute of Directors (IOD) prefer a Unitarist definition, whereby employees identify with the employer and trade unions are compliant to the wishes of management.

(Bacon, 2001 p.202)

Barrat’s (2002) commentary, however, on Foucault’s analysis of HRM and the operation of power, views HRM in a more sinister light as contributing to the ‘ordering of subjects in the employment relationship by supplying much of the underpinning architecture for the
inspection, inscription, comparison, judgement of the subject at work’. HRM is viewed as a covert disciplinary power used not only to control but also to impose an “insidious” role in their own self control. The appraisal and selection interviews are seen as instruments of this process and power relationship as are mentoring and employee counselling. No doubt they are perceived as creating templates for behaviour and performance through the development of competency frameworks whose adherence to will determine the employee’s future continuity and success within the organisation. The activities of mentoring, employee counselling are identified as ‘analogous to the religious confessional’ and especially the ‘confessional style of the developmental appraisal interview’. Barrat describes the process;

Such familiar HR techniques ... become part of the great web of monitoring and surveillance that Foucault (1977) ultimately takes to be the key or defining characteristics of modern disciplinary power that has become so complete and intense that it has the potential to induce human subjects to control themselves.

(Barrat, 2002, p.191)

Barrat’s (2002) use of the term disciplinary power can be explained as the power that a particular area of expertise brings. Scott’s (2001) analogy of how a doctor’s medical expertise puts them in a position of power in relation to their patient creates understanding of how the expertise or discipline of HRM becomes a similar source of influence in respect of employees.

The extension of power as a means of controlling the minds of others is considered by Lukes (1974) Marxist analysis in his three dimensional view of power where he considered the possibility that the ‘supreme exercise of power’ might be shaping the wants of others ‘to secure compliance by controlling their thoughts and desires’.

If Human Resource Management practices have the ability to shape employee values beliefs and ambitions within the organisation then the process by which these values are transmitted within the organisation is through the leadership influence of line managers and senior managers within the organisation. Storey’s vision of how the emphasis had shifted in the transition from Personnel and Industrial Relations to Human Resource Management considered the key differences in the approach to leadership.
Table 2.6.1

Personnel Management and Industrial Relations: the differences

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<thead>
<tr>
<th>Dimension</th>
<th>Personnel</th>
<th>HRM</th>
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<tr>
<td>Management action</td>
<td>Control</td>
<td>Flexibility/commitment</td>
</tr>
<tr>
<td>Behaviour referrent</td>
<td>Norms/custom and practice</td>
<td>Values and mission</td>
</tr>
<tr>
<td>Management task vis a vis labour</td>
<td>Monitoring</td>
<td>Nurturing</td>
</tr>
<tr>
<td>Management action</td>
<td>Transactional</td>
<td>Transformational leadership</td>
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<tr>
<td>Prized management skills</td>
<td>Negotiation</td>
<td>Facilitation</td>
</tr>
<tr>
<td>Focus of attention for intervention</td>
<td>Personnel procedures</td>
<td>Wide ranging cultural, structural and personnel strategies</td>
</tr>
<tr>
<td>Conflict handling</td>
<td>Reach temporary truces</td>
<td>Manage culture and climate</td>
</tr>
<tr>
<td>Conflict</td>
<td>Institutionalised</td>
<td>De-emphasised</td>
</tr>
</tbody>
</table>

(Source: Bratton and Gold, 1999, p.25)

The traditional levers of power are shifted from control to seeking commitment from employees. French and Raven’s (1959) view of power sources in organisations identify influential sources of power which are largely persuasive rather than exclusively coercive and are fundamental to HRM philosophy:

- Legitimate
- Coercive
- Reward
- Expert
- Referent

French and Raven’s (1959) classification closely corresponds to sources already identified; Parson’s ‘legitimation’. Marx’s conflict and domination. Expert power is also recognised by Scott (2001) in the case where people are regarded as expert and others defer to their superior knowledge and skill. This type of power is based on trust in a principal’s knowledge and skill rather than ‘the specific social position that they hold in the structure of command’ Scott (2001) cites Etzioni’s view that structures of command and expertise involve a degree of ‘moral involvement’ of ‘subalterns’ in their own subordination;

Subaltern involvement is both intense and positive, and this relationship is epitomised by the devoted party member or the loyal follower. This moral involvement contrasts with the alienative involvement that typically occurs in structures of coercion and inducement.

(Scott, 2001, p.23)

Braynion (2004) argues that the leader’s main objective is to produce individuals who will serve the best interests of the organisation;

This occurs as the leader promotes the internalisation of the organisation and society’s norms. Internalisation of these norms produces efficient and useful members of the organisation and the wider society.

(Branyinon, 2004 p.460)

Eyde and Linter (1976:65) identify three ways in which social scientists have defined power:

- The achievement of shared goals
- The ability to impose your will on someone else against their opposition
- The ability to affect the way people live against their own interests

Oxenbridge and Browne (2002:262) attempt to summarise the contrasting views in the current debate on the nature of Partnership. In attempting to answer the question ‘is Partnership a vehicle for strengthening the union-employer relationship or for reducing union power in the workplace they consider Acker’s and Payne’s (1998) belief that ‘Partnership provides a vehicle for union renewal enabling them to swim among the fishes and re-enter the main stream of employee relations’. The opposing view of Matinez Lucio and Stewart (2000) and Kelly (1998) is cited where they warn that ‘Partnership agreements may serve to undermine workplace trade unionism and weaken the trade union movement as a whole’ and that

122
Partnership is simply HRM or EI (Employee Involvement) in disguise (Ackers and Payne, 1998; Martinez Lucio and Stewart 2000; Taylor and Ramsay, 1998).

The trade union movement’s antipathy to HRM can be understood in the context where HRM is viewed by Mueller and Carter (2005:369) as having it’s genesis ‘in a time where a seismic shift was taking place between capital and labour’ The outcome of this realignment is seen as being ‘a contest in which most would probably agree the relations of power shifted in managements and shareholders favour’. The ‘discourse of HRM’ is directly connected to this period in history where other topical discourse is identified in globalisation and managerialism;

The symbolic origin of this narrative can be traced to Margaret Thatcher’s election in 1979 and Ronald Reagan’s inauguration in 1980. The central themes underpinning this narrative were privatisation, deregulation, shareholder predominance and trade liberalisation. Owing to the financial power of the United States and much less so the UK this Anglo-American narrative transformed itself into a discourse of Global neo-liberal capitalism.

(Mueller and Carter, 2005 p.370)

There can be no doubt, however, that the trade union movement perceive Partnership in the context of a Pluralist tradition which provides the opportunity for an increased rather than a diminishing voice in the shaping of their agenda at national and local level.

The study will attempt to categorise and explain the response of private sector employers to powerful advocacy from the main players.
Chapter 3
CHAPTER 3 - RESEARCH METHODOLOGY

3.0 INTRODUCTION

The success of Social Partnership and its contribution to the Irish economic recovery following the economic crisis of the 1980s has invited investigation of a consequential trickle down effect of cooperation and agreement achieved at national level to the level of local enterprises. This objective was outlined in the Partnership 2000 agreement and was supported by Government through the establishment of the National Centre for Partnership which subsequently became the National Centre for Partnership and Performance. The NCPP surveys of 2004 would indicate that this has not taken place to any significant degree.

3.1 RESEARCH QUESTION

An exploration of Enterprise Level Partnership in the Irish private sector

3.1.1 Objectives

1. To explore the influences which have informed the choice of the Partnership model for the Irish private sector.

2. To explore those factors that influence the acceptance or rejection of Partnership as a means of mediating the employment relationship in specific organisations.

3.1.2 Rationale for the Research

Speaking at the launch of Working Together-Toward a Modern Workplace, 2002, Dr Larry O’Connell, Head of Research at the National Centre for Partnership and Performance states ‘The centre acknowledges that while there has been a significant level of innovation and experimentation with Partnership based approaches to decision making in Irish companies, there is little compelling evidence that Partnership has become part of a mainstream approach to change in an Irish context’.
This view was confirmed by the centre’s own surveys published in 2004, *The Changing Workplace: A Survey of Employee’s views and Experiences* and *The Changing Workplace, A Survey of Employers Views and Experiences*. The survey which examined the employers’ experience reports that only 4.3% of organisations in the private sector have explicitly stated *Partnership* agreements with their trade unions.

### 3.2 THE RESEARCH PARADIGM

The research will pursue a paradigm which is interpretivist in philosophy, exploratory in purpose using an inductive approach and employing qualitative interviews for data generation.

#### 3.2.1 The Research Philosophy

According to Hussey and Hussey ‘The term paradigm refers to the progress of scientific practice based on peoples philosophies and assumptions about the world and the nature of knowledge’.

‘Three views about the research process dominate the literature: positivism, interpretivism and realism’ (Saunders et al 1997:83). An assessment of these alternatives is necessary to determine the suitability of a specific paradigm suited to the research question and objectives. In the following discussion realism as an option will be rejected leaving the choice between the main paradigms, positivism and interpretivism. Interpretivism will be referred to using the more common term ‘phenomenology’. In seeking definition of these paradigms it is useful to consider Hussey and Hussey’s (1997) table adapted from Cresswell (1994) who borrows on a number of authors to show the different assumptions of the two models.
Table 3.1
Assumptions of the two main paradigms

<table>
<thead>
<tr>
<th>Assumptions</th>
<th>Questions</th>
<th>Quantitative (Positivistic)</th>
<th>Qualitative (phenomenological or interpretivist)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Ontological</strong></td>
<td>What is the nature of reality</td>
<td>Reality is objective and singular, apart from the researcher</td>
<td>Reality is subjective and multiple as seen by participants in a study</td>
</tr>
<tr>
<td><strong>Epistemological</strong></td>
<td>What is the relationship of the researcher to that researched</td>
<td>Researcher is independent of that being researched</td>
<td>Researcher interacts with that being researched</td>
</tr>
<tr>
<td><strong>Axiological</strong></td>
<td>What is the role of values</td>
<td>Value free and unbiased</td>
<td>Value laden and biased</td>
</tr>
<tr>
<td><strong>Rhetorical</strong></td>
<td>What is the language of research</td>
<td>Formal Base on set definitions Impersonal voice Use of accepted quantitative words</td>
<td>Informal Evolving definitions Personal voice Use of accepted qualitative words</td>
</tr>
<tr>
<td><strong>Methodological</strong></td>
<td>What is the process of research</td>
<td>Deductive process Cause and effect Static design Categories isolated before study Context free Generalisations leading to prediction, explanation and understanding Accurate and reliable through validity and reliability</td>
<td>Inductive process Mutual simultaneous shaping of factors Emerging design Categories identified through research process Context bound Patterns, theories developed for understanding Accurate and reliable through verification</td>
</tr>
</tbody>
</table>


The positivist approach seems to adopt the experimental stance of the physical sciences where the control and measurement of discrete variables and issues of validity, reliability or repeatability are the cornerstones of knowledge building in the modern scientific world. Saunders et al (2000) assert that ‘positivism adopts the philosophical stance of the natural sciences’ where the end product will be ‘law like generalisations. They affirm some of Cresswell’s observations;

There will be an emphasis on highly structured methodology to facilitate replication, and quantifiable observations that lend themselves to statistical analysis. The assumption is that the researcher is independent of and neither affects nor is affected by the research process.

(Saunders et al, 1997 p.85)
Phenomenology or Interpretivism they argue takes a position which identifies that ‘the world of business and management is far too complex to lend itself to theorising by definite laws and that rich insights into this complex world are lost if such complexity is reduced to a series of ‘law-like generalisations’. The interpretivist or qualitative paradigm is therefore concerned with understanding human behaviour from the ‘actors own frame of reference’ Blaxter et al (2001:65) and is concerned more with the meaning rather than measurement of social phenomena.

Blaxter (2001:65) affirms Hussey and Hussey’s view that ‘the researcher interacts with that being researched’ (see Table 3.1) and is not independent as in the positivist approach, and assert that ‘phenomenologists consider that researchers have values even if they have not been made explicit’ This is not seen as an impediment to objectivity or truth but is probably an essential aid and basis for analysis. ‘These values help to determine what are recognised as facts and the interpretations which are drawn from them’ (Hussey and Hussey 2001:48) or they cite Smith’s (1983) description of the polarity between the opposing research approaches. ‘In quantitative approaches facts act to constrain our beliefs while in interpretative approaches beliefs determine what should count as facts’ Remenyi (1998:36) states ‘part of the context of any research study is the nature of the researcher and the characteristics of the setting’.

This study will draw on the author’s own career experiences and insights from the world of HRM and Industrial Relations to facilitate investigation of the research question which will be grounded objectively within the body of research literature. Interpretivism is deemed the more suitable methodological paradigm and will be justified in the following Section 3.2.4 where considerations shaping the choice of methodology will be explained.

The subject area of the research would appear to fall naturally into the main body of functionalist organisation theory where pluralist theory is a component. Functionalism’s is rooted in the traditions of sociological positivism whose emergence in the early 19th century was characterised by the assumption of the world of human affairs existed as a social world ‘composed of relatively empirical artefacts’ capable of being investigated using methods appropriate to the natural sciences.
In the early twentieth century Functionalism became increasingly influenced by developments in German Idealism whose intellectual traditions belong to Phenomenology. From the 1940s elements of Marxist influence become apparent, characteristic of the sociology of radical change. The intrusion of Marxist Sociology is seen as attempting to radicalise functionalism and the perception that it is essentially conservative and unable to provide explanations for social change. Functionalism is capable of being viewed as at the intersection of three sets of intellectual forces with different sets of ontologies and epistemologies. The functionalist paradigm has become the method of enquiry for most organisation theorists, industrial psychologists, psychologists and industrial relations theorists. The research question then clearly lies within the realms of Functionalist organisation theory where pluralist theory is firmly rooted.

The preferred phenomenological research paradigm which sees reality as socially constructed does not rest easily within the ontology of functionalism. Difficulties in defining the principles of Partnership, the multiple perspectives identified in the literature and the weight of rhetoric necessary to give expression to its ambitions make it increasingly difficult to apprehend a tangible essence which exists outside the minds of the main actors who are its only source of meaning. Positivistic methods are considered not capable of investigating what the main actors consider to be Partnership. Organisations are as seen from the phenomenological perspective according to Burrell and Morgan (1979:5) as ‘social constructs; an organisation stands as a concept which means different things to different people’ Partnership as an aspect of the life of some organisations is capable of being perceived in the same manner. The epistemological position of the anti-positivists would maintain that one can only understand or know such socially constructed phenomena by ‘occupying the frame of reference of the participant in action, one has to understand from the inside rather than the outside’. The study may therefore lie within the territory which Burrell and Morgan refer to as ‘characteristic of the subjectivist region of the functionalist paradigm’.

Clearly there is much more that can be done within the context of functionalism to explore the implications of studying a social reality which is far less clear cut, certain and solid, and more processual than has been envisaged in theory to date. There is
more scope for recognising the role of individuals in interpreting and sustaining particular views of social reality than is generally recognised

(Burrell and Morgan, 1979, P.275)

3.2.2 Research Strategy and Purpose

Research strategy has been described by Mason (2002:30) as the ‘logic by which you go about answering your research question’. This decision requires answers to the choice of case studies, surveys, experiment, action research, cross sectional and longitudinal studies, a choice between exploratory, descriptive or explanatory studies or other approaches. The alignment of strategy to the research question and objectives must be considered, Saunders et al (2003;91) counsel ‘what matters is not the label attached to a particular strategy but whether it is appropriate for your particular research question’.

Justification for the particular choice of research strategy and paradigm will be developed later in this chapter but for the moment it will suffice to say that an exploratory approach is the preferred option.

When classifying research by purpose the classification most used is the threefold one of exploratory, descriptive or explanatory (Saunders et al 2000). Exploratory is described by Anderson (2004:14) as an attempt ‘to seek new insights and find out what is happening, there is an attempt to ask questions and assess phenomena in a new light’. Brannick (1997:8) suggests that exploratory research is used to answer ‘what’ type questions. Typically exploratory research is required where there are few or no earlier studies to which we can refer to for information about the issue or problem.

Saunders et al (1997) describe three principal ways of conducting exploratory research:

- A search of the literature;
- Talking to experts in the subject; and
- Conducting focus group interviews.

(Saunders et al 1997, p.97)

An extensive literature search was conducted using specialist journals in the Industrial Relations, Human Resource Management, Organisational Behaviour and Change
Management areas. Relevant texts were consulted in addition to various reports from Government, Trade Unions and Employer bodies, national newspapers were reviewed to explore relevant historical news items. Feature articles and columns which seek to present an analysis of news, opinions and perspectives on the development of the Social Partnership at national level and to help identify some of the formative influences in the evolution of the model were considered. The greater part of the material which was sourced from the Dublin Institute of Technology’s extensive library and data bases was used to gain in-depth insight into explaining the role and extension of Partnership to enterprise level. These sources of secondary data proved useful in attempting to answer what Mason calls ‘developmental puzzles’ or questions as to how a social phenomenon developed.

Different methodological strategies for answering developmental puzzles might involve, for example, attempting to gain some type of ‘before and after’ picture in an historical sense using a range of types of historical and documentary evidence.

(Mason 2002, p.31)

Interviews were held with a key informant in the sample organisations as the method for collecting primary data. Sample organisations were chosen to reflect organisations where explicitly stated enterprise level Partnership arrangements are in place or alternatively are either not evident or non-existent. Where possible key informants were chosen who would have directly participated or strongly influenced the decision to progress or not to progress to a Partnership model and would therefore be in a position to reflect on Mason’s ‘developmental puzzles’ and describe the ‘before and ‘after scenarios.

A detailed explanation and description of the organisation included in the sample and a justification for their purposive selection will be offered in a later section. Again Mason’s suggestions for answering the developmental puzzle were considered.

They might involve drawing a comparison between contexts where a phenomenon has developed and others where it has not, or more likely where developments have taken different shapes and forms.

(Mason 2002, p.31)
Focus groups were considered inappropriate insofar as it was perceived that a group context might inhibit the inclination for frank disclosure by key informants occupying senior but also sensitive roles within their organisations.

Remenyi (1998:108) refers to Marshall and Rosmann’s (1993) statement of purpose for exploratory research as ‘to investigate little understood phenomena: identify important variables and generate hypotheses for further research’. Evidence collection procedure are identified as; participant observation, in-depth interviewing and elite interviewing.

Descriptive research is identified by Anderson (2004:14) as ‘the type of research which sets out to provide an accurate profile of situations, people or events’.

Explanatory research Anderson (2004:14) identifies as explaining a situation or problem, usually in the form of causal relationships.

Descriptive and explanatory options were discounted as being unsuited to the research question. The preferred exploratory choice will be developed further in this section

3.2.3 Research approach

The next strategic decision is the consideration of research approach where the choice between deductive or inductive must be made. Deductive approaches begin with the generation of theory and hypothesis and the design of a research strategy to test that hypothesis. Alternately the inductive approach which begins with data collection and moves to the development of theory following data analysis. Saunders et al (2000:91) in defining the alignment of philosophy with approach state ‘insofar as it is useful to attach these approaches to the different research philosophies, the deductive approach owes more to Positivism and inductive approach to Interpretivism’.
Table 3.2
Major differences between inductive and deductive approaches to knowledge

<table>
<thead>
<tr>
<th>Deduction</th>
<th>Induction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scientific principles</td>
<td>Gaining an understanding of the meanings</td>
</tr>
<tr>
<td></td>
<td>humans attach to events</td>
</tr>
<tr>
<td>Moving from theory to data</td>
<td></td>
</tr>
<tr>
<td>The need to explain causal relationships</td>
<td>A close understanding of the research context</td>
</tr>
<tr>
<td>between variables</td>
<td></td>
</tr>
<tr>
<td>The collection of quantitative data</td>
<td>The collection of qualitative data</td>
</tr>
<tr>
<td>The application of controls to ensure</td>
<td></td>
</tr>
<tr>
<td>validity of data</td>
<td></td>
</tr>
<tr>
<td>The operationalisation of concepts to ensure</td>
<td></td>
</tr>
<tr>
<td>clarity of definition</td>
<td></td>
</tr>
<tr>
<td>A highly structured approach</td>
<td>A more flexible structure to permit changes</td>
</tr>
<tr>
<td></td>
<td>of research emphasis as the research</td>
</tr>
<tr>
<td></td>
<td>progresses</td>
</tr>
<tr>
<td>Researcher independence of what is being</td>
<td>A realisation that the researcher is part of</td>
</tr>
<tr>
<td>studied</td>
<td>the research process</td>
</tr>
<tr>
<td>The necessity to select samples of sufficient</td>
<td>Less concern with the need to generalise</td>
</tr>
<tr>
<td>size in order to generalise conclusions</td>
<td></td>
</tr>
</tbody>
</table>

Source; Saunders et al (2003 p.91)

3.2.4 Justification of Research Paradigm

The observation attributed to Albert Einstein that 'not everything that can be counted counts and not everything that counts can be counted' seems apt in consideration of this particular research. Due to the complexity and highly contextualised nature of the research question the methodology will veer toward interpretivism rather than positivism, McLoone's (2001) comments on the nature of Partnership illustrate the diverse perspectives from which the concept is capable of being viewed and the many influences which have contributed to the evolution:

Social Partnership takes on a variety of forms and titles across the world. Even in the same country, it may abstract a different designation, a different attitude, depending on whether the commentator is a politician, economist, sociologist or industrial relations practitioner.

(McLoone, 2001)

While the term Partnership implies a Unitarist, standpoint the ambitions and expectations of the different actors whether they are employers, employees or employee representatives must also be considered.

Hussey and Hussey (1997:47) 'With the ontological assumption, you must decide whether you consider the world is objective and external to the researcher, or socially
constructed and understood by examining the perspectives of the human actors'. McLoone’s observations on the diverse nature of Partnership compel examination of these perspectives.

It is difficult to perceive Partnership as a construct having a tangible reality or as in Burrell and Morgan’s (1979:44) discussion of Functionalist Sociology where they refer to Comte’s notion of the ‘a concrete social reality capable of rational scientific investigation. Alternatively, Partnership as a concept could be seen as a social construct which exists as a set of practices with a supporting structure of ideological rhetoric whose existence remains in the minds of the main actors and is largely an aspiration and a potentiality rather than a tangible reality. Johnson and Duberly (2001:64) cite Wittgenstein’s assertion that ‘far from reflecting reality, language shapes or socially constructs reality’.

From an epistemological perspective this position would be viewed as anti-positivist. Burrell and Morgan (1994:5) define the term positivist as characterising ‘epistemologies which seek to explain and predict what happens in the social world by searching for regularities and causal relationships between it’s constituent elements’.

Realism as defined by Saunders et al (1997:84) ‘is based on the belief that a reality exists that is independent of human thoughts and beliefs’. Realism would therefore consider Partnership from the same perspective as positivism in having a tangible reality and not as a social construct.

Reasons for organisations embracing or rejecting Partnership as a means of mediating the employer/employee relationship are not capable of being viewed in terms of one dimensional cause and effect relationships. To attempt, for example, a reductionist approach to measure the relationship between trade union density and choosing the Partnership option will simply ignore a myriad of other complex variables and influences and their interrelatedness.

Alternately, Burrell and Morgan (1979:5) describe the stance of the anti-positivist as perceiving the social world to be ‘essentially relativistic’ and to be capable of being
understood ‘from the point of view of the individuals who are directly involved in the activities which are being studied’.

The qualitative paradigm is therefore considered more suited to the interpretation of this complex social world. Anderson (2004:25) states that ‘Interpretivist approaches to research emphasise the subjective nature of human interactions and focus enquiry on the meanings and understandings of those involved in social and organisational processes’.

Survey approaches used in positivist or quantitative paradigms and involving the collection of quantitative data from highly standardised questionnaires or structured interviews are considered inappropriate given the disparity of understanding as to what Partnership actually means and the type of initiatives it might involve at the level of local enterprise.

The Partnership 2000 Agreement clearly sets out an acceptance that establishing a single template for Partnership is inappropriate and that different employment settings must find an application of Partnership that is adapted to their organisational context.

The national Framework for Partnership for Competitive Enterprise does not attempt to impose any single structure or model of Partnership. The parties to this National Framework accept that there is a need to tailor the approach to different employment settings.

(Partnership 2000, p.63)

Superimposed on this diversity of perspective as to the intent and application of Partnership, the initial investigation of the literature confounds the reader with difficulties in isolating a standard and accepted definition of what Partnership actually means. Is Partnership about structures, processes or values? At best it might be loosely defined as bundles of practices which organisations selectively employ depending on context. Ackers and Payne (1998:532) see Partnership in the same light as earlier employee involvement concepts ‘Partnership combines seductive rhetoric with ambiguous and shifting meaning’.
Remenyi et al. (1998:33) viewpoint confirms the inappropriateness of positivism as a suitable philosophical position for this type of research "Positivism in the social sciences, is not regarded as an approach that will lead to interesting or profound insights into complex problems especially in the field of business and management studies”.

Anderson (2004:141) specifically considers the suitability of a qualitative paradigm to HRM focussed research “subjective interpretations, reasoning and feelings of people (qualitative data) are seen as a more relevant line of enquiry in order to explain the realities of HR situations”.

The relevance of context is a recurring theme in descriptions of qualitative paradigms. Hussey and Hussey (Table 3.1) state that qualitative approaches are necessarily ‘context bound’. Mason (2004) in what she describes as ‘a loose, working definition, says that qualitative research is:

- Grounded in a philosophical position which is broadly interpretivist;
- Based on methods of data generation which are both flexible and sensitive to the social context in which data are produced; and
- Based on methods of analysis, explanation and argument building which involve understandings of complexity and context.

(Mason, 2004 p.3)

For consideration of context it is necessary to satisfy Mason’s requirement for ‘more emphasis on holistic forms of analysis and explanation in this sense than on charting surface patterns, trends and correlations’. Her imperative for ‘rich, nuanced and detailed data’ is corroborated by Blaxter et al (2001:65) who describe the necessity for ‘valid, rich, deep data and a holistic approach’.

Rich, deep data might typically be the ‘subjective interpretations and reasonings and feelings of people’ which Anderson (2004:13) sees as ‘a more relevant line of enquiry in order to understand and explain the realities of HR situations’ as opposed to the generation of more quantitative but superficial type data.
Remenyi (1998:34) in outlining how phenomenologists see the primacy of subjective consciousness as their focus describes how ‘each situation is seen as unique and it’s meaning is a function of the circumstances and the individuals involved’.

The Partnership concept and an organisation’s stated reasons for engagement are capable of multiple interpretations. This can be illustrated by Fox’s (2004:39-46) identification of ‘some confusion as to what Partnership meant’ in an examination of why the Partnership experience in An Post had failed ‘There was general consensus that this was a new and different way of engaging each other but some ambiguity still remains as to how it is different’. Differing perceptions and expectations are noted where the trade union perception was that pay and conditions were the focus whereas management’s expectation was that the process would facilitate the introduction of change on a less adversarial basis.

Remenyi (1998:35) asserts ‘to use a phenomenological approach the researcher has to look beyond the details of the situation to understand the reality or perhaps the reality working behind them’.

Easterby-Smith et al (2002:27) in attempting to isolate key features of positivist versus phenomenological paradigms compare the reductionist approach of positivism where phenomena are reduced to their simplest elements to facilitate control and measurement to the need in phenomenology ‘to look at the totality of each situation’ using strategies where ‘small samples are investigated in depth or over time’.

Enterprise level Partnership is contextualised within each organisation, the totality of influences must be considered to address the research question. Culture senior management values, quality of employee relations, industrial relations history, employee representation practices, the specific business sector, competitiveness, continuing viability and threats to continuity of existence are dimensions of life in all organisations.

Public sector organisations will differ conspicuously in terms of culture and remit from the private sector. Large multinationals set standards of HRM and employee relations practice which small indigenous companies seek to emulate or to
consciously ignore. Whether these factors are influences, the extent of their influence is not proposed, but they do represent a complex web of forces at play in the life of every organisation which are not capable of being investigated through any paradigm other than a qualitative interpretivist approach.

Saunders et al (2003:91) in Table 3.2 which attempts to highlight differences between inductive and deductive research approaches signal how the inductive (interpretivist) approach is characterised by 'less concern with the need to generalise'. The issue of generalisibility is a core issue for these differing research approaches Remenyi (1998:36) states 'it is more difficult to generalise such holistic studies and generalisations are more problematic'.

There is comfort in the certainty that it is empirically possible to demonstrate that water will always boil at 100 degrees centigrade at sea level and that this is replicable across time and place. This has become an immutable fact of the natural sciences and enjoys the status of absolute truth. Do limitations of generalisibility mean that interpretivist standpoints have less worth or are flawed approaches to the expansion of human knowledge?

Remenyi (1998:36) answers this question to some degree in identifying the option or possibility of conducting similar studies 'if these studies produce consistent findings which support an emerging theory, it may be granted some degree of general validity'.

Remenyi (1998:37) notes the conservatism and caution of the scientific community in coming to a consensus on the validity of scientific discovery cites Collins' (1994) observation that scientific discoveries do not achieve legitimacy or acceptance 'at a single point in time at single places and with single demonstrations'.

This view is further developed by Remenyi (1998:37) in reference to the development of scientific knowledge and how knowledge is created through a typically Marxist dialectical process where thesis is confronted by contradictory antithesis and where synthesis ultimately becomes the established truth – 'the two are combined or the apparent contradictions resolved to provide a coherent synthesis'. The synthesis or
established truth in turn spawns a new antithesis and so the cycle continues in the creation of knowledge. Thus the Partnership concept has become the new currency of industrial relations with a highly developed supporting rhetoric which seeks to establish Partnership as a new orthodoxy. This thesis has now been challenged by the antithesis that there has been very limited uptake of the model as the accepted mode of managing the employer/employee relationship.

The issue of generalisibility is given further consideration in the sampling choices.

3.3 SAMPLING

Saunders et al (2003:152) outline the concept of sampling ‘sampling techniques provide a range of methods that enable you to reduce the amount of data you need to collect by considering only data from a subgroup rather than all possible cases’.

Sampling techniques can be divided into two categories:

- Probability or representative sampling;
- Non-probability or judgemental.

Probability sampling involves determining a sample that is statistically representative of the population as a whole and so should reflect the characteristics of the population. ‘Research enquiries that utilise a quantitative approach are likely to adopt probability sampling. Most qualitative data gathering, however, operates from the basis of non-probability sampling’. (Anderson 2004:160).

Given the nature of the research paradigm, a non-probability purposive sampling approach, strategically selecting a range of organisations in different areas of activity and business sectors in a range of organisation contexts, was considered the most suited approach. (These terms will be explained and developed in the following sections).

A non-probability and judgemental approach was adopted rather than probability which is more likely to be associated with survey based research.
Mason (2004:123) discusses the concept of sampling in quantitative and qualitative research and the relationship of the sample to the wider universe. In quantitative research sampling is ‘inherently about the empirical representation of a wider universe’.

A strategic relationship between sample and wider universe can take a variety of forms. The aim is to produce, through sampling, a relevant range of contexts or phenomena which will enable you to make strategic and probably cross-contextual comparisons and hence build a well-founded argument. In this version, then, the sample is designed to encapsulate a relevant range in relation to the wider universe, but not to represent it directly. This might mean a range of experiences, characteristics, processes, types, categories cases or examples and so on.

(Mason, 2004,p123)

3.3.1 Generalisibility of non-probability sampling

Saunders et al (2003:171) state ‘it is impossible to answer research questions or address objectives that require you to make statistical inferences about the population. You may still be able to generalise from non-probability samples but not on statistical grounds. The use of non-probability sampling was considered appropriate on the ground that the research question is exploratory and seeks to determine why organisations adopt the Partnership model. The author does not seek to generalise the results for the total population. The findings are intended to be illustrative rather than definitive.

3.3.2 Sample organisations for primary research

(1) MM2 (Multinational Manufacturing Organisation No. 2) – No Partnership
This organisation is a US multinational operating in the pharmaceutical/healthcare sector. The company has a number of sites in Ireland, the earliest manufacturing units are unionised while plants set up within the last ten years are not. The site is unionised but does not have a Partnership agreement and uniquely does not operate within the structures of National Agreements preferring to negotiate terms and conditions directly with the relevant unions. These local agreements do, however, require a quid pro quo of acceptance of ongoing change by the unions for settlements slightly higher than those provided for in National Agreements. The organisation displays a high level of commitment to HRM values and principles, significant employee involvement and team working structures and a high level of employee communications. The key informant is the CEO aged 50-55 and has worked for the
company for approximately 25 years in other capacities such as Manufacturing Manager. The interviewee was uniquely well qualified as a key informant who had witnessed and subsequently presided over many of the changes in the industrial relations climate which could be described as high stability.

(2) MM1A (Multinational Manufacturing Organisation No.1, Irish Site A) Has Partnership Agreement.

Similar to the first organisation in the sample this company is a US multinational in the Pharmaceutical/ Healthcare sector and also has a number of manufacturing sites in Ireland. The similarity does not end here insofar as the plant surveyed is unionised while later Irish start-ups within the group are not. The plant has been located at this site for 30 years and presently has 600 employees. The plant has had an unfortunate industrial relations history where conflict and distrust were essential features of the employer/employee relationship. The industrial relations history included the experience of 22 strikes in one year in the 1980s. All employees with ‘the exception of a few managers’ are represented by either one of four trade unions or the staff association. The key informant was again the CEO in his middle fifties who inherited the industrial relations climate on joining the organisation. The key informant has previous experience at CEO level in other multinationals in both the US and Ireland and had occupied his current position for nearly four years at the time of interview. This organisation does have a formal Partnership agreement.

(3) MM1B (Multinational Manufacturing No. 1, Irish Site B) – No Partnership

A large unionised manufacturing organisation within the same corporate group as the previous organisation within the sample significantly different for not having a Partnership agreement. The workforce numbers some 1500 hundred employees and the plant has been in existence since 1993. The key informant is the Industrial Relations Manager aged approximately 36/37 with 8 years experience with the company.

(4) IM (Indigenous Manufacturing Organisation) – Partnership Agreement

The company is a manufacturing organisation located in the North West of Ireland where it has operated at this site for the last 50 years. The company was taken over by
the present owner and Chairman in 1990 when it was threatened with closure and underwent significant modernisation in work processes and management practice and has since expanded into the UK with the acquisition of a number of small manufacturing units. The company is unionised and has a declared Partnership agreement and has been identified in a number of publications as an example of an organisation operating a successful Partnership agreement.

(5) FS1 (Financial Services Organisation No. 1) - No Partnership Agreement
A bank who does not operate a Partnership agreement. No other background information will be offered in the interests of protecting the anonymity of the organisation.

(6) FS2 (Financial Services Organisation No. 2) – Partnership Agreement
A bank who does operate a Partnership agreement. No other background information will be offered in the interests of protecting the anonymity of the organisation.

In respect of FS2 and FS1 the troubled Industrial Relations history of the Associated Banks in Ireland has been similarly problematic and notorious insofar as three high profile national strikes in 1966, 1970, 1976 and again in 1992 are part of the collective memory of that generation. The two earlier strikes had left the country without a banking service for months on end, the 1966 strike lasting from May to August and the 1970 strike lasting from April to November. These protracted strikes had caused untold difficulties for business and ordinary citizens alike. The later strike in 1992 did not succeed in shutting down the banking service and was something of a watershed for the IBOA where a significant majority of branch managers had defied their union and continued to provide a banking service which emasculated the strike but resulted in their expulsion from the union.

The banking industry was unique in the private sector in having almost 100% membership up to and including branch manager level. Equally significant was the culture of acceptance and support for union strategy in this exclusively white-collar employment sector which led to unsuccessful outcomes for the membership in 1976 and again in 1992. The militancy of the IBOA in those years would have been more indicative of adversarial industrial relations practice in high unionised manufacturing
industry in Ireland and the UK and would have created a backdrop to the exploration by FS2 in finding a better way to mediate their relationship with the IBOA.

3.3.3 Selection of interviewees

A key informant was chosen within each of the organisations within the sample. Anderson (2004:153) cite Tremblay’s (1982) definition of a key informant ‘People who have specialised and unique knowledge and experience of the issue you are trying to find out about’ Consequently the individuals selected were all experienced specialists in the HR/Industrial Relations area or were the Chief Executives of their organisations who were capable of making strategic commentary on some of the organisations choices and policy directions. Respondents were selected for their potential as information rich respondents and were chosen from large to medium sized professional organisations which were presumed to have made well informed decisions in regard to their choice of employee relations model.

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
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<tbody>
<tr>
<td>MM2</td>
<td>Chief executive</td>
</tr>
<tr>
<td>MM1B</td>
<td>Industrial Relations Manager</td>
</tr>
<tr>
<td>MM1A</td>
<td>Chief Executive</td>
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<tr>
<td>IM</td>
<td>Managing Director</td>
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<tr>
<td>FS1</td>
<td>Group Industrial Relations Manager</td>
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<tr>
<td>FS2</td>
<td>Industrial Relations Manager</td>
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3.4 SAMPLING APPROACH

The sampling approach was guided by the overall research strategy. Saunders et al (2003:172-178) identify sampling options as being appropriate to qualitative research approaches:

- Quota
- Purposive
- Snowball
- Self-Selection
- Convenience

The likelihood of the sample being representative ranges from highest for quota to lowest for convenience at the other end of the scale. Saunders et al (2003:173) identify Quota Sampling has similar requirements for sample size as Probabalistic Sampling techniques, A sampling frame (a complete list of cases within the
population) would therefore include all organisations operating in Ireland. Quota was ruled on this basis. Purposive, while working with very small sample sizes is the next highest category on the scale allowed that special cases which could give a wide range of possible reasons across a broad sample of organisational sectors for engaging in Partnership could be deliberately selected.

3.4.1 Critical Case Sampling

'Selects cases on the basis that they can make a point dramatically or because they are important. The focus of data collection is to understand what is happening in each critical case so that logical generalisations can be made' (Saunders, Lewis and Thornhill 2003 p.175).

MM1, a multi-site organisation in Ireland older plants are unionised, newer plants non-unionised. Two of the oldest plants MM1B and MM1A, were surveyed. One site does have a Partnership agreement, the other, does not. The objective was to identify the unique circumstance which influenced this choice by the organisation to have highly variable representational structures at each site and what specific influences at each site influenced the choice to have or indeed not to have Partnership.

3.4.2 Extreme Case or Deviant Sampling

'Focuses on unusual or special cases on the basis that the data collected from these unusual or extreme outcomes will enable you to learn most and to answer your research questions.’ (Saunders Lewis and Thornhill 2003 p.175). They cite the work of Peters and Waterman (1982) where ‘research on excellent companies was based on a purposive sample of extreme (excellent) companies'.

MM1A deviates from a norm where US multinationals tend not to be unionised let alone have Partnership Agreements.
3.4.3 Typical Case Sampling

'Typical case sampling is usually used as part of a research project to provide an illustrative profile using a representative case, such a sample enables you to provide an illustration of what is typical………it is not intended to be definitive.' (Saunders, Lewis and Thornhill, 2003 p.175).

IM was chosen as a typical example insofar as this organisation was one of the first to have a Partnership agreement and was anticipated to have a well-established Partnership culture from which a highly informed experience could be used to identify well-grounded principles.

MM2 on the basis that they are representative of large multinational that has made a conscious decision not to engage with Partnership. MM1B will also fall into this sample category.

3.5 ETHICAL CONSIDERATIONS

The in-depth interview as the means of primary data gathering gives rise to significant ethical considerations. Respondents were fully briefed as to the purpose of the interviews and the research itself. Consent was always agreed in advance to record the interviews and guarantees of confidentiality were given. Commitments to protect the identity of the organisations in the sample and the names of respondents were pledged. Given the nature of the many controversial observations by respondents and their willingness to be candid and forthright a concerted effort is made to protect respondent confidentiality and prevent the possibility of identities being second-guessed. The disclosure of a number of respondents would have serious implications for employee relations within their organisations.

3.6 DATA COLLECTION

Interviews with key informants, either Chief Executives or Senior HR/Industrial Relations managers were used exclusively as the method of data collection.
Burrell and Morgan's discussion of Ideographic theory underlines:

The need to understand the social world by obtaining first hand knowledge of the subject under investigation. It thus places considerable stress on getting close to one's subject and exploring it's detailed background and life history. The ideographic method stresses the importance of letting one's subject unfold its nature and characteristics during the process of investigation.

(Burrell and Morgan, 1979 p6)

Given the highly contextualised nature of each organisation in the sample and the variety of meaning potentially attributable to the Partnership concept the interview approach was concerned with giving expression to Mason’s (1996:64) advice that the interviewer may wish to give ‘maximum opportunity for the construction of contextual knowledge by focussing on relevant specifics in each interview’.

Mason (1996:64) considers options for the interview given the interviewees perception of knowledge being contextualised and situated ‘You may wish to follow the narrative or sequence provided by the interviewee’ or an even more unstructured approach where the interviewee is allowed to free associate’. The approach where loose general themes were pursued was adopted but simultaneously allowing the interviewees be provided an opportunity to develop a stream of consciousness narrative. The focus on common themes heeded the advice of Howard and Sharpe (1983) as cited by Remenyi (1998:111) to avoid the risk of collecting a 'wealth of evidence from a set of individually valuable interviews that collectively are difficult to generalise from at the analysis stage. Marchington and Wilkinson (2005) discuss the freedom and flexibility of what they term a 'non standardised (unstructured interview)'.

In this situation the interviewer can work from a list of topics, indicating broad areas in which issues are to be pursued, or the interaction may be free of prearranged sets of questions. The principle advantage ....is that it does not attempt to fit respondents into predetermined categories and so enables the interviewer to explore issues as they arise.

(Marchington and Wilkinson, 2005, p393)

The use of Qualitative in-depth interviews which provides an opportunity to access the dense rhetoric expressed by the main actors to establish the validity of Partnership as the industrial relations standard. Hamilton (2001:437) in advocating the need for
We can begin to understand that what is specific to the discipline of rhetoric is not a subject matter, such as politics, law, ethics or history, but that instead it’s field was the probable, the plausible, the truth-like; it’s aim, not certainty beyond rational doubt, but the agreement of the listener or reader to believe in the case presented.

(Hamilton, 2001, p. 437)

The necessity to access the rhetoric of Partnership as a social construct is confirmed by Hamilton’s (2001) citing of Simons ‘the province of the rhetoric is the non provable, the contingent’.

3.7 RESEARCH DESIGN

3.7.1 Data interpretation - Hermeneutics

The exploratory nature of the research requires an inductive approach to the development of interpretation of meaning. Exploratory studies do not commence with a defined theoretical framework. Procedures used in the interpretation of qualitative research data in explanatory studies which employ theoretical frameworks or propositions were considered unsuited. Approaches used in exploratory Grounded Theory where the researcher does not start from the position of a theoretical proposition and where data according to Saunders et al (2003) is ‘disaggregated into conceptual units’ using techniques such as open and axial coding was also considered inappropriate’ The author takes heed of Saund er’s advice in this regard.

Some approaches to qualitative research consider the fragmentation of data to be inappropriate. More interpretative approaches advocate that the researchers should retain the integrity of the data and they collect and commence analysis from the basis of verbatim transcripts or complete sets of notes that are produced.

(Saunders et al, 2003, p.401)

The research approaches referred to include phenomenological research and the life history approach. The need to remain faithful to the individual’s account of their experiences and the ways in which they explain these through their subjective interpretation of the social world in which they live is emphasised. The researcher’s choice of in-depth interview invited respondents to consider the historical evolution of the present employee relations model and the specific contextual influences within
that process of evolution which informed the choice to either embrace *Partnership* or to consciously decide not to engage.

The original narrative recorded and transcribed by the researcher becomes the focus of analysis rather than a data set fragmented through coding and classification. A narrative is broadly defined as ‘an account of an experience that is told in a sequenced way, indicating a flow of related events that, taken together, are significant for the narrator and which convey meaning to the researcher’ (Coffey and Atkinson, 1996 p174).

Saunders (2003) notes the possibility of decontextualising the data, where we may lose the significance of social context using approaches which fragment data are used.

A narrative account that clearly explains the social and organisational context within which a research participant operates, the nature of their engagement, the actions that they took, the consequences of these and events that followed may be analysed more effectively in its original form.

(Saunders et al, 2003, p.401)

Hermeneutics therefore becomes the inevitable choice for a suitable interpretation approach. The historic origins of Hermeneutics lie in the attempt to derive meaning from sacred texts usually the bible, now adopted as a theory of textual interpretation no longer confined to religious works. Burrell and Morgan (1979:236) cite Dilthey’s assertion that Hermeneutics should be a key discipline and method in the human sciences, ‘he advocates that social phenomena of all kinds should be analysed in detail, and interpreted as texts’.

### 3.7.2 Autonomy of the text

This autonomy of the text is the recurring emphasis in Hermeneutic philosophy where the text assumes a primacy once the interview has been recorded and transcribed then takes on a life of its own which or may not be consistent with the interviewees intended meaning. Arnold and Fischer (1994:61) assert ‘It can lead to understanding that does not coincide with what the actor or author meant, it can generate insight that the author did not realise. While the text is autonomous it is not autonomous from its author, Arnold and Fischer (1994:61) describe that ‘it is precisely the authors unique perspective (their lived experience) that the analysis attempts to discover’. The
importance of considering the text as a totality is emphasised by Fisher’s (2004:88) discussion of the *hermeneutic circle* which asserts that ‘you cannot understand the entirety of a thing until you understand it’s details, but you cannot understand the details until you understand the entirety’.

### 3.7.3 Hermeneutic Circle

The key to understanding the text in it’s entirety is dependent on understanding elements of the text, these elements are then reconsidered in relation to the text as a whole Arnold and Fischer (1994:63) describe the process as ‘iterative movements back and forth between elements of data and the entire body of data in creating an understanding that is ever more complete’. Thompson (1997:441) identifies two stages the first which he describes as an *intratext cycle* where the text is read in its entirety ‘to gain a sense of the whole’. The second part to whole movement is ‘an intertextual one whereby the researcher looks for patterns (and differences) across different interviews.

### 3.7.4 Bracketing

To treat the transcript or text as an autonomous body of data Thomson, Locander and Pollio (1989:141) advise that ‘preconceived theoretical notions about the phenomena must be bracketed’ but recognise that bracketing does not imply a neutral view in citing Merleau-Ponty’s assertion ‘that researchers must always see and describe the world from some perspective’. While the interpreter must recognise and bracket presumptions Thomson, Locander and Pollio (1989:141) advise that the researcher ‘relate to respondent reflections in a non dogmatic fashion and attempt to grasp, rather than impose, meanings emerging from the dialogue’. Arnold and Fischer (1994:57) emphasise the concept of prejudice or ‘pre-understanding’ as part of Hermeneutic philosophy which is a product of belonging to ‘a cultural world’ thus ‘the interpreter and the interpreted are linked by a context of tradition’.

Prejudice is not necessarily unjustified or erroneous. In fact prejudice is our window to the world, our base for recognition and comparison. Without prejudice, it would not be possible to make sense of events and objects we observe or to find meaning in the words and actions of others.

(Arnold and Fischer, 1994, p 57)
Prejudice or pre-understanding therefore becomes necessary for the very act of interpretation and search for meaning. The researcher’s knowledge of accumulated theories and research also becomes an element of pre-understanding.

The author must therefore suspend his own pre-understanding of the world of Industrial Relations, a product of his experience as a HR practitioner during the 1970s and 1980s. Using a Personal Subjective Introspection (PSI) process a sample experience of collective bargaining at local level during the 23rd Round wage negotiation in 1983 and the conflict attached to this process is outlined in Appendix 1. This sample experience is a reflection of the author’s ‘cultural world’ which was instrumental in shaping ‘pre-understanding’.

3.7.5 Interpretive Group

As a response to difficulties the researcher might encounter in suspending all presumption in interpreting meaning Thomson, Locander and Pollio (1989:141) recommends that one methodological procedure for bracketing is to conduct interpretation in a group setting as in the use of interpretive groups ‘the interpretive group facilitates bracketing by conscientiously questioning the assumptions each member employs’ Group members also provide feedback to the researcher ‘by noting whether they can also see the interpretation in the transcript’. Bracketing also becomes essential for group members and presumption must be suspended.

A theme must emerge from respondent descriptions rather than from abstract or theoretical conjectures, each group member must be able to show that the proposed interpretation describes the respondent’s experience. One means of doing this is by showing where the respondents own words support the interpretation.

(Thomson, Locander and Pollio 1989, p.141)

3.7.6 Fusions of Horizon

A Fusion of Horizons is the essential conclusion of a hermeneutic study. Thompson (1997:441) describes the process as requiring that ‘an understanding of a text always reflects a fusion of horizons between the interpreters frame of reference and the texts being interpreted’ Arnold and Fischer (1994:63) describe the horizon of the interpreter as being his or her pre-understanding, the horizon is identified as being ‘finite but neither limiting nor closed’. A shift in the interpreter’s horizon occurs when
the interpreter comes to encompass or interpret the discerned horizon of the text'. The text literally is the transcript encompassing the verbatim responses of the respondent. Arnold and Fischer (1994:64) describe the process 'pre-understanding is changed until it is able to account for the sense of the text. Pre-understanding becomes understanding'. The shift of horizon on the part of the researcher is described by Thompson (1997:69) 'the engagement with the contextual data can sensitise the researcher to new questions and precipitate revisions in his or interpretive standpoint'.
Chapter 4
CHAPTER 4 - RESEARCH FINDINGS

4.0 INTRODUCTION

This chapter will consider the themes which evolved from the in-depth interview data gathered from the six sample organisations. These emerging themes will then be discussed in the context of other similar themes identified in the Partnership literature in a ‘commentary section’ following on the discussion on each major theme. The seminal work of Roche and Turner (1998) and Oxenbridge and Brown (2002) reviewed in Section C, Chapter 2 will be considered especially relevant. Finally a more general analysis will be outlined of the progress to partnership evident in the three sample organisations who had agreed partnership arrangements with their trade unions.

4.1 THEME 1- A THREAT TO CONTINUITY OF THE ORGANISATION

This theme was evident in each of the three organisations electing to adopt a Partnership model.

The significance of this theme is confirmed in the literature by the critical incident findings of Oxenbridge and Brown (2002) who mirror the assertion of Roche and Turner (1998:99) who state that the impetus for Partnership is ‘most likely to develop where the parties experience an acute commercial crisis, seek to make the case for further investment from a parent company, or anticipate a major change in future commercial circumstances’.

The respondent in the MM1 organisation described how a Consent Decree or binding directive had been imposed on the entire organisation by the US Food and Drug Authority (FDA) to upgrade Quality Assurance practices. In addition, competitive pressure from other plants within their own group in securing orders from the corporate parent had created an urgent change imperative.

Respondent MM1A;

It was clear that we could not keep going the way we were going, we now had more competition, the company had invested in the previous few years in a new plant down in Singapore, not quite as large as ours but one which could potentially take away most of our business...we would not have stayed at the races!
Competitive pressures from a cost and quality perspective were threatening the continuity of the organisation. The adversarial nature of industrial relations and resistance to change was illustrated by reference to a new hygiene requirement for all production employees to change footwear before going on or coming off shift. Employees would be required to wear white shoes provided by the company while in production areas. This measure was deemed necessary by the discovery of a new bacterium which could potentially contaminate the product. The Managing Director considered that the resistance to this simple change which required no more than two minutes of employee’s time was indicative of a general resistance to more significant operational changes to come and which would be necessary to secure the future competitiveness of the organisation.

Respondent MM1A;

We had a major undertaking to try and get employees to do this. So therefore we had a situation where we could not continue, I mean there was no question about it, this plant was going to close!

The Managing Director of IM a small manufacturing organisation outlined similar competitive pressures and impending loss of all jobs in a business which he had taken over and attempted to return to profitability. The company had a history of ‘not very good management and a dreadful market position’ in a traditional low technology, labour intensive, cost sensitive, market sector. The business was described as being on the ‘verge of collapse’ when taken over. The new Managing Director in his first address to the workforce asserted

Respondent IM;

The object of the exercise is to keep the jobs in ........ rather than Thailand and I mentioned Thailand specifically because at that particular point we were supplying Ikea in Sweden and they brought on a second supplier which was Thailand and that was it and I was very conscious of the Thai competition. But I started off that address rather controversially by saying “being a member of SIPTU is not a guarantee of job security” and at that point you should hear a pin drop, “neither are IDA grants, the only job security is a satisfied customer”.

The respondent FS2 identified the Bank dispute in 1992 as the primary influence in stimulating a review of their entire industrial relations model. This variation in the findings sees not an impending problem but a critical incident from which the parties
were just emerging as the major influence in seeking a change within the industrial relations model.

Respondent FS2;

Coming out of that, after the industrial action some of the bank staff then would have looked at the model and said this clearly is not working from both from a bank’s perspective or a union’s perspective because industrial action is not really appropriate for managing employee relations. So I think in 1994 the bank would have sat down with the trade union and would have looked at models in Europe and would have looked specifically at Scandinavia and Denmark and places like that.

Looking to the example of more consensual European industrial relations models is seen as a key influence but competitive market forces are an ongoing stimulus for the creation and maintenance of the Partnership arrangement. The response recognises a corresponding mutual advantage for the Unions in terms of finding better ways of representing their members and securing a higher level of involvement in the change process. The dialogue between the Bank and the Irish Bank Officials Association (IBOA) to find a new way of conducting their relationship had in fact commenced before the negotiation of the Partnership 2000 Agreement which became operational in 1996. The principles which were formally worked out between the parties are almost a direct parallel to Partnership 2000 principles set out for local enterprise. It is now formally recognised and accepted by the parties in the organisation as a Partnership Agreement within the meaning set out in the National Agreement.

Respondent FS2;

Between 1992 and 1998 there was a lot of competitive pressures opening up and markets were opening up so both the bank and the union had to look at that and say ‘what is the best way of doing business here? and what’s the best way for the union representing staff and representing views fairly, while the bank tried to have an open relationship where they tried to share change with the unions. So the Partnership came about after that.

The dispute in 1992 in the Banking industry is cited as an example by Roche and Turner (1998:97) as being indicative of this assertion where the Banks entered into talks separately with IBOA in the mid 90s to explore a new industrial relations framework. Roche and Turner (1998:97) state ‘The IBOA’s stance was influenced by ICTU policy of encouraging Partnership wherever local circumstances warranted, the talks increasingly focussed on Partnership principles’. The outcome of these talks was that one of the major Banks opted for Partnership while the other did not. Both
these organisations are represented in the research sample for the present work and some of the reasons informing their choice will be explored later in the chapter.

4.1.1 Theme 1- A threat to continuity – Commentary

In FS2 the bank strike of 1992 was the catalyst which influenced the organisations search for a new employee relations model. This variation in the Oxenbridge and Brown’s (2002) findings sees not an impending problem but a critical incident from which the parties were just emerging as the major influence in seeking a change within the industrial relations model.

The third company, IM, described by its Managing Director as being on the verge of collapse also faced closure in the face of competition from the Far East which was making inroads into the company’s largest customer and threatening to displace them as the major supplier. The nature of the Partnership arrangement in this company was tenuous insofar as a major restructuring of the production process and the introduction of a range of new World Class Manufacturing initiatives had already been implemented as a response to crisis. These initiatives were working effectively and had substantially changed the organisation culture. The success of the change process became recognised by IBEC and ICTU who were at that time looking for organisations to hold up as exemplars of Partnership companies in their promotion of the Partnership ideal. The company went along with the publicity but were anxious that this situation could be turned into a negotiating opportunity.

The nature of the Partnership arrangement in this organisation was probably closest to what Roche and Turner (1998) described as a Consultation Focussed Model which involved the coordination of HRM policies with collective representation:

- Consultation and involvement on task forces and project teams
- No new structures, works councils or committees
- No change of status quo regarding concession of joint decision making
- Consultative channels existing side by side with collective bargaining

(Roche and Turner 1998, p. 90)
This is described by Roche and Turner (1998) as approximating to ‘a relatively weak version of Partnership’ as defined by the literature. The status quo regarding the right to manage remains unchanged, no new structures are created and there is no extension of union voice in decision-making.

It is significant that the company did not impose this model on acquisitions it subsequently made in the UK during its return to prosperity. It is particularly significant given that the British Government committed to the provision of grant aid in the Fairness at Work White Paper for organisations contemplating the introduction of a Partnership arrangement, (Fairness at Work, 1998:Section 30-1). It could be concluded that engagement with Partnership suited a particular need in a particular context and was not necessarily perceived as the model of choice for managing employee relations.

The previous examples MM1A and FS2 were closer to what Roche and Turner (1998) described as a Joint Decision Making Model where three of the four defining features were evident:

- New joint management/union structures
- Formal voice for unions in company decision making
- Ambition to make decisions on consensus basis
- Union parity or near parity on joint committees

(Roche and Turner 1998, p. 90)

It could be suggested that both these organisations had made earnest efforts to engage genuinely with the structures and spirit of Partnership model and that the motivation to embrace this was born out of a real commitment to find better ways of managing the employer/employee relationship in the face of real competitive challenge. It should be noted that the Joint Decision Making Model significantly exceeds the scope of Partnership principles and practices offered by the British Involvement and Participation Agency and gleaned from a range of sources including the Government, the TUC, the CBI and a number of British trade unions. The Joint decision Making model sees a formal voice for trade unions in company decision making whereas the IPA common principles offer simply consultation for employees on organisation
policy and approximate more closely to Roche and Turner's (1998) Consultation Model. (www.ipa-involve.com) The greater depth of engagement of Partnership in the Irish sample organisations where new joint management/union structures were created is further confirmed by the British based CIPD's assertion that 'Partnership is about processes of management rather than structures' (CIPD 2000:12). The softer designation of Partnership in the UK literature is also evidenced by Knell (2000:5) in a DTI Report where he attempts to establish some general meaning for the concept in stating that 'definitions have tended to focus on the cultural values and aspirations...rather than on precise empirical definitions'. Higgins (1999:16) does, however, cite Guest's reference to an IPA recognition of 'a strong institutional framework...which was something of a litmus test for Partnership but was relatively rare'.

4.2 THEME 2- INDUSTRIAL RELATIONS HISTORY

A second dimension to the 'critical incident' effect cited by Oxenbridge and Brown (2002:265) indicates a factor common to the production based organisations in their research was a 'long standing adversarial relationship with unions' which because of the critical incident factor had been translated into Partnership relationships This was clearly evident in organisations FS2 and MM1A. This effect was not apparent within the service sector companies in Oxenbridge and Brown's study.

In MM1A the relationship was defined as hugely adversarial and reflecting a total absence of trust on both sides going back to the 1970s and 1980s. Four different unions and a staff association represented employees. It must be remembered that the industrial relations climate of these decades was significantly more conflictual as reflected in the number of days lost annually to industrial disputes (see Table 2.2). The company had the unenviable reputation for having had 22 strikes in one particular twelve-month period, which even by the standards of the time must be considered excessive and dysfunctional. The respondent stated that things had changed in the 90s and 'at least there were not any strikes' The organisation culture, however, of non cooperation with change, restrictive practices, and rigid demarcation was described as making the action programme required by the Consent Decree (a quality and hygiene
standards corrective action programme required by the US Food and Drug Authority (FDA) impossible to achieve.

Respondent MM1A;

That corrective action programme was all encompassing to all divisions .... and it was clear from what was coming down the line with the kind of attitude and relationship we had, we could not comply with the new requirements, the new requirements for training, for signing off of documents, because the people would not sign documents, they would not sign for training, they would not agree to sign for training because if you were signed for training it meant that you had undertaken knowledge and if you were deficient you could be found guilty of not applying that knowledge.

Change initiatives had been undertaken by the respondent as new Managing Director to flatten the organisational structure and create business units to increase the level of personal responsibility. Attempts were made to shift the organisation from what Guest (1999:152) termed ‘a Personnel Management compliance culture’ to a HRM focussed commitment culture. This process eventually stalled at shop floor level where front line employees would not accept the new work practices. The attempt to persuade and negotiate with the workforce to accept new work practices was described as ‘tough, it was nasty, it was very nasty’. The impossibility is reflected in the respondent’s summarising of the employee mindset which characterised the situation ‘As far as I am concerned I am not responsible for anything because I don’t trust anybody anyway so I can’t sign for anything and I can’t ever be held responsible afterwards’.

Both banking organisations shared the same industrial relations history which saw four bitter national strikes between 1966 and 1992. Three of these strikes had succeeded in shutting down the national banking service at great inconvenience to business and the ordinary consumer. The history of these disputes has already been addressed in the methodology chapter which outlines a background to the organisations within the sample.

What is of most significance, however, is the response of the different banks where one chose the Partnership route as a means of conflict avoidance and establishing a different employee relations model. The other bank having considered the option did not. This was a major change of strategy where the Banking Industry had negotiated
historically on a sectoral basis with the Irish Bank Officials Association. Significantly different dispositions were reflected by the respondents from each bank in relation to how they viewed the role of the trade unions.

Respondent FS1;

We have respect for them, we deal with them, we acknowledge their right to represent the staff and we look to do whatever is appropriate in the circumstances. That does not mean that we will roll over on all issues, if are wrong we are wrong, if there is an issue we deal with it, but is does mean that if we have to take a stand on occasions we will stand and fight on occasions if it is something the organisation feels is appropriate and if the IBOA are resisting then if we have to have a row then so be it.

While this respondent elsewhere in the interview had reflected and clearly articulated a commitment to the cultural values of a well developed HRM philosophy within the bank it was clear that his perception of the IBOA was as an adversary as opposed to a partner in the running of the business. The position is in sharp contrast to the view taken by thy respondent from the other bank.

Respondent FS2;

Coming out of that after that industrial action some of the bank staff then would have looked at the model and said this clearly is not working from both from a bank’s perspective or a union’s perspective because industrial action is not really appropriate for managing employee relations……I think the core of the Partnership was to try and develop a better relationship between the union and the bank.

The IM organisation had a less dramatic background in terms of the industrial relations history of organisation, IM was characterised as being mildly confrontational.

Respondent IM;

It wasn’t bad, it was old fashioned, it was fairly typical of the time, mildly confrontational…there were issues from time to time, a fair amount of distrust as well. It was fairly typical of the time, Us and them!

In the MM2 organisation the quality of industrial relations could not be described as confrontational in any way. The respondent acknowledged the legitimate rights of the trade union and expressed respect for their position and their right to be informed. A strong preference was apparent, however, that the respondent was happy to deal with
the internal shop steward committee but preferred to keep the fulltime officials at arms length in the sense that the only time he saw it necessary to interact with them was when an issue existed that could not be sorted out internally. The respondent gave the impression of being in control of the relationship with the shop stewards and alluded to the fact there should be no necessity for them to interact with the full time branch official if ‘managed right’.

Respondent MM2;

Now we respect our situation with the Union and what we do have in place, we have a shop stewards committee which meets with our HR and Management guy every six weeks. So through the shop stewards they know what’s going on and we get their input and we get their views and we address them, we don’t ignore them but it is our own shop stewards we would deal with. If they feel the need to involve the branch secretary they do so and there have been occasions but we tend to take the view that they should not need to if managed right.

The view was created by the respondent that where issues existed that an orderly processing of dispute issues to resolution was the norm. During the course of the interview there were no terms or language of a pejorative nature used to describe the relationship. Where issues existed they were worked through in a business like and professional way through the established channels.

Respondent MM2;

So we do take on board the inputs as much as possible and there have been issues and that’s kind of natural and the branch secretary is kind of out there to deal with those issues, and the only issues we have had since the last agreement was a carry over from that agreement and we are processing that and it is going through the Court at the moment.

The MM1B organisation was described by the respondent as having very good relations with their unions and had engaged in the Partnership in Action at Enterprise Level (PACT) training programme to explore the possibilities to progressing to a full Partnership arrangement.
Respondent MM1B;

The other thing to remember you know is that we have very good relations with our unions here. Its very useful to have good relations, it is very much based on personal relationships between the shop stewards, the HR people and your operations people.

The organisation had participated in early attempts to establish a *Partnership* model through participation in the PACT programme, a programme funded by IBEC, ICTU and the EU. The intent of the programme was to provide joint training materials and other tools for unions and companies interested in going down this route. This programme was rolled out in a series of pilots in eight regional centres during 1998/1999 with the ambition of supporting organisations who wished to develop and sustain *Partnership* arrangements.

While the organisation subsequently made a policy decision not to progress to a full blown *Partnership* relationship it nevertheless did have beneficial effects in creating new levels of mutual understanding.

Respondent MM1B;

I believe that it has helped deliver on some issues, it also helped the shop stewards and the union people understand the difficulties that management get politically and financially and it will give them a greater appreciation for, you know how procedures are made.

The overall influence of this factor must carry some importance insofar as two of the organisations FS2 and particularly the MM1A organisation would appear to have had a fraught industrial relations history. Further significance can be attached to this factor when it is considered that the two companies who do not have a *Partnership* arrangement could be identified as having a reasonably positive industrial relations past. MM1B is noteworthy insofar as *Partnership* was on the union’s agenda but was bargained over and ultimately employees chose the alternative of a productivity deal which allowed for improved earnings. The company had offered a productivity deal as a trade off for a *Partnership* arrangement and it could be inferred that employee participation was less of a political issue for the workforce where the history of industrial relations had been positive.
4.2.1 Theme 2.1-Union influence in the emergence of Partnership

FS2 did recognise that since the union represented a high proportion of staff then it was appropriate that they must be given a voice in the decision making process.

Respondent FS2;

So I suppose what the bank management team are looking at is that it’s very important to involve staff in decisions and obviously the union represents 70% of staff so it’s important to involve them in decision-making.

The relative degree of determining influence for this factor must be considered against FS1’s not dissimilar figure of 60% unionisation for retail staff. FS1 having almost identical IR experience of IBOA, elected not to consider a Partnership relationship.

FS1 also participated in talks with IBOA in the aftermath of the 1992 Bank strike but unlike its competitor FS2 chose not to enter into an explicit agreement.

High levels of union density have been identified by Roche and Turner (1998.100) in the development of the Partnership model. Union density was identified as a factor in retail banking where density in FS1 is down from a almost 100% pre 1992 to a current low of 50% in the Republic of Ireland while the overall figure stands at 25% for the FS1 group.

The level of union density within FS1 and experiential history with IBOA is not dissimilar to FS2.

Respondent FS1;

There is no point in having a Partnership with the trade unions when all that is represented is 25% of your employees there are lots of people who do not want to be in trade unions.

IBOA is seen as having difficulties in recruiting due to an ever increasing floor of rights enjoyed by all employees, wage bargaining is not an issue because this issue has been removed from the arena of direct negotiation with the employer in the current series of national agreements.
Respondent FS1;

The working time is set in law, the maximum working time. The Partnership wage agreements are there, we are party to the national wage agreements, But the other things that are set down in legislation, there is a floor of rights there where it is increasing to the point where people don’t really have to fight for the sort of things that their predecessors had to, their fathers, their grandfathers had to.

Other legislation such as Unfair Dismissals Acts and the Information and Consultation Directive is seen as having impacted on employees’ reasons for joining. ‘They will have all of these things which sometimes were the reasons why people join trade unions in the first place’. Both banks surveyed reported a marked trend in younger employees not joining the IBOA.

Respondent FS2;

The last ten years we have recruited a lot of staff, I suppose the trend is that a lot of the younger staff joining are not actually joining the trade union so that the numbers will start to slant in the next couple of years as older staff leave the bank who tend to be traditionally aligned with the union towards a position where 60% are going to be unionised and 40% non. (60% refers to levels for retail banking as opposed to an overall figure of 25%)

While union density was high it was not the compelling reason or primary influence in the shift to Partnership, union density and extreme adversarialism were background influences, however, reflecting an unenviable employee relations climate and history creating a need to change the employee relations model.

MM1A did have a number of unions represented at various levels within the organisation and representation was a norm for all staff.

Respondent MM1A;

Everybody except a few managers, everybody from supervisors etc were all in a staff association. Most of the administrative people were all in a union. There was a few administrative employees and senior management, top two layers lets say and their managers and assistant managers who weren’t in it, other than that everybody was, and everybody had a different row and a different bone to pick and a different problem and none of the two spoke to each other and one was always watching what the other one did.

In the IM organisation all hourly paid employees and some staff were union members.
Respondent IM;

All weekly paid people were members of SIPTU. The monthly paid people may or may not be today but the union does not negotiate for the monthly people.

Roche and Turner (1998:100) identify that Partnership is more likely to develop where union organisation is strong ‘at least in density terms’ This was not seen as a factor in any of the organisations within the sample and if anything the converse is probably more likely where the national trend is of reducing density levels and specifically within the Banking sector where levels have dropped from almost a traditional 100% level to approximately an average of 60% of retail staff and 25% overall in one of the two Banks sampled and 70% of retail staff in the other. None of the sample organisations experienced a situation where the defining impetus to move to Partnership came from their in-house union representatives or local union officials.

FS2 did, however, recognise that since the union represented a high proportion of staff then it was appropriate that they must be given a voice in the decision-making process.

4.2.2 Theme 2.2 Long standing relationship of trust developing organically into Partnership

Oxenbridge and Brown (2002:265) identify a further factor in the existence of a long-standing relationship between the parties, this was a significant factor in 7 of the 11 firms surveyed in their research. This was not identified as a factor in any of the organisations in the current study. While all of the organisations surveyed had been in business for decades and had been unionised for most of that time. This was coincidental rather than being a causal factor and none of the organisations could be described in Roche and Turner’s (1998:101) terms as being high trust where ‘Partnership can appear to develop organically out of a strong bargaining relationship of a more conventional type’

4.2.3 Theme 2-Industrial Relations History - Commentary

If Partnership is considered an opportunity to extend union voice then this principle is not persuasively confirmed by the findings from the three organisations who have
Partnership arrangements. Partnership had been seen as a lifeline for the UK trade union movement in restoring voice and influence in the aftermath of the Thatcher years in the UK (Ackers and Payne, 1998; Martinez Lucio and Stewart, 2004). Similarly, Attley had counselled the Irish trade union movement that there were threats in maintaining the traditional adversarial position in the face of radical social and organisational change. Geary and Roche (2003:13) confirm that ICTU eventually came to see that Partnership was ‘a way of bolstering trade union influence’.

In FS2 the bank itself had begun a process of exploring alternative employee relations models in the aftermath of a strike in 1992 and had sought inspiration from some of the more consensus based Scandinavian models. The impetus for change had been inspired by the organisation itself rather than it’s trade union and employees. The process develops and ultimately comes to be understood and considered as a Partnership model where many of the principles underpinning the new strategy are closely aligned with Partnership principles.

In the IM organisation new approaches to managing an uncompetitive business are the drivers of change insofar as the company had introduced World Class Manufacturing procedures as a strategy to prevent job losses and inevitable closure. This had the effect of radically restructuring the organisation of work and working practices where high levels of employee involvement and team working become features. The company reluctantly goes along with IBEC and ICTU who are looking for exemplar organisations to promote the Partnership ideal in the wake of the Partnership 2000 agreement and ultimately becomes identified by default as a Partnership organisation even though all of the change which defined its Partnership status had already taken place under the World Class Manufacturing initiative.

In MM1A the inspiration for the progression to Partnership comes from an unsolicited approach from a local trade union official who is not directly involved with the company but who does have an interest in promoting the cause of Partnership. The principle is recognised as a pragmatic possibility to resolve an intractable problem of resistance to change which is seriously threatening the future of the business. No representation or initiative had come from the internal union
structures in the organisation but they did, however, co-operate enthusiastically with the company once the initiative became launched.

MM1B did have an approach from the internal structure but after consideration the organisation declined and instead offered the unions a productivity deal.

Roche and Turner (1998:100) identify that Partnership is more likely to develop where union organisation is strong ‘at least in density terms’. This was not seen as a factor in any of the organisations within the sample. None of the sample organisations experienced a situation where the defining impetus to move to Partnership came from their in-house union representatives or local union officials. This effect is capable of a number of different interpretations:

1) While the trade union movement at national level has welcomed the expansion of its ability to influence wide ranging economic and social policy it has been slower to abandon historical modes of action at local level;
2) There has been a lack of momentum at national level to persuade local branches to pursue Partnership as a local issue;
3) Local union officials and shop stewards perceive a potential dilution of influence in Partnership arrangements.

The issue of union density also provides a conflicting conclusion insofar as density levels are declining as a national trend and specifically within the Banking sector where levels have dropped from almost a traditional 100% level to approximately an average of 60% of retail staff and 25% overall in one of the two Banks sampled and 70% of retail staff in the other.

FS2 did, however, recognise that since the union represented a high proportion of staff then it was appropriate that they must be given a voice in the decision making process. FS1 has similar density levels but elects not to give weight to the principle and quotes overall density levels of 25% as undermining the trade unions right to having a Partnership model despite the fact that density levels in branch banking are at 60% and would give greater validity to any claim by IBOA to seek negotiation of the right to have a Partnership relationship which applies in FS2.
Ultimately, it would seem that this factor when considered in isolation does not appear to have a conclusive effect but alternatively must be considered within a wider set of influences. The factor which does appear to be common is the quality of relationship. MM1A and FS2 had a conflicted past whereas companies who do not have a *Partnership* arrangement appear to have managed their Industrial relations in a more professional way. This cannot be explained as a function of the relative age of the organisations as both MM2 and MM1A have been operating in Ireland for over thirty years and have both lived through a more adversarial period in the history of Irish Industrial Relations.

4.3 THEME 3 - THE EMERGENCE OF KEY INFLUENCERS - POSITIVE, NEGATIVE AND NEUTRAL EFFECTS

This theme appeared influential in the majority of organisations in the sample and was generally associated with some form of crisis within the organisation or where a crossroads had been arrived at where organisations were faced with a pressing need for radical policy change in the employee relations practice. The key influencer was generally a new senior person coming to the organisation who presided over a significant policy change. The role of the key influencers will be categorised as positive, negative or in one case neutral.

4.3.1 Theme 3.1 - Key influence effect - positive

In MM1A this feature was represented in the Managing Director who joined what he described as being a ‘command and control’ led organisation which reinforced a ‘total and complete’ lack of trust between the parties and inclination in the workforce to ‘go all the way’ in pursuit of industrial action. The MD set out to reform and restructure the organisation and change the perceptions, through *management by walking about* and talking to employees at all levels of the business about day to day operational issues. This attempt at improving communication and breaking down barriers by communicating openly and directly with all employees was described as follows:

Respondent MM1A;

It was only when I arrived that I realised the total and complete lack of trust, you could not speak to anybody about anything without an immediate investigation afterward about what
was the hidden agenda, now the hidden agenda was so well hidden that nobody knew what it was!

A discussion programme was set up described as a programme for change, ‘we spent a full year talking to people and going nowhere, you might make a small step forward and at the following meeting you were ten miles back’. Eventually it was acknowledged that the initiative was going nowhere and that if change was not secured by discussion and agreement ‘we would have to find a way of re-imposing something drastic in terms of the old order of ‘command and control’. Desperate measures were being considered when an unsolicited approach was made by an official of the TEEU who persuaded the MD to join in a strategy that had been successful at Aughinish Alumina and a number of other local companies. This official could be considered as an example of Roche and Turner’s (1998:101) description of ‘positive and active union officials who can support moves to introduce industrial relations innovation’. Senior management and shop stewards consequently undertook a Partnership facilitation programme organised on a residential basis, two days per month over a six-month period. The programme was aimed at breaking down barriers, developing trust and mutual understanding.

Respondent MM1A;

Our relationship was being built on trusting, on communicating, a sense of jointness, a sense of purpose together, common goals and that sort of stuff’.

Engagement with this Partnership process was indicative of a willingness to consider all options by a new MD who had no fixed agendas, attitudes or beliefs which precluded an exploration of Partnership as an option. The change to a more visionary leader in tandem with an imminent crisis for the organisation are identified as the compelling influences in MM1A’s progression to a Partnership model. This was also a feature of FS2 where a new leader was viewed as an important influence in deepening and consolidating the Partnership arrangement.

Respondent FS2;

Quite recently the MD would have said, like he would do these senior management conferences every year and he is on record as saying that Partnership is one of his key competitive advantages. If he looks down the road to FS1, he says they have a lot of difficulties with staff and that creates some uncertainty for staff, it effects productivity, it effects motivation, if this is the key competitive advantage he has to be committed to it, then the union has to be committed to it, and that all the people below have to understand it.
MM1A has further significance in being part of a multinational which operates a number of other manufacturing facilities in Ireland, the older plants being unionised while the newer ones are not. MM1A is also the only site to have a *Partnership* agreement. Geary and Roche (2001:124) had considered *the country of origin effect* in HRM practice among multinationals operating in Ireland, where HR policy is imposed from corporate level to ensure uniformity of best practice across individual sites leaving little opportunity to consider or incorporate local issues. This theme is also referred to by Roche and Turner (1998:70) in identifying influences which determine an organisation's choice to enter *Partnership*:

> Cases can also exist, however, in which local management can use the leeway granted to them in developing HRM policies to agree *Partnership* arrangements which are otherwise unknown in the parent company and are possibly even discordant with corporate human resource policies.

(Roche and Turner 1998, p.100)

This issue will be considered in the analysis of data from a sister company MM1B also part of the Irish group and included in the survey sample.

In FS2 the arrival of a new Managing Director, was a significant factor in consolidating the existing ambition to move to *Partnership* and to progress this change on to the next level.

Respondent FS2;

> I think the key is that say a few years ago when X would have taken over as Managing Director and he would have had quite a straightforward business plan, and as part of that business plan, as I mentioned before there was three or four key changes, and I suppose he would have looked at, and had discussions with the Head of Employee Relations, the Head of Human Resources as to what is the best manner of getting these through. I suppose they would have felt that like we had the *Partnership* relationship at this stage how do we get it to another position where we can actually talk about change and bring the change in so I suppose the real catalyst is which is quite important is that there is a commitment at national level (within the organisation itself),

The Managing Director's position on *Partnership* is repeated throughout the interview and is documented elsewhere where in this chapter.

Respondent FS2;

> I suppose, like, on the steering committee we have X the managing director at the bank management level where he would have a team of seven or eight general managers he is quite strong on the benefits of it and passes it on to them, he has seen the practical changes that have occurred at national level and at local level and he is trying to put that message across but its still quite a difficult thing.
4.3.2 Theme 3.2 - Key influencer effect - negative
Senior personnel not disposed or openly hostile to Partnership

An opposite effect to this important influence in engaging with Partnership is seen in FS1 where changes in key personnel whose views were not sympathetic or favourable appeared to be one of the determining influences in shaping the decision not to participate. The decision was arrived at after initial discussions with IBOA on how to improve things in the aftermath of the 1992 bank strike.

Respondent FS1;

Mr A moved on and Mr B and I took over and we looked at it and we looked at it again and I suppose the big fear that we had was that when the going gets tough that unions will revert to type, unions and people talk about Partnership and shared responsibility for decision making but what I see daily with trade unions and particularly with the elected type of official .... They want no accountability, they will reluctantly take responsibility but they don't want anything to do with accountability.

The respondent acknowledged the role of full time professional trade unionists who were identified as being well capable of taking both responsibility and accountability. Elected officials or members of executive committees on the other hand were described as;

Respondent FS1;

Tourists, they come to town for a day, they make a decision in an executive room and they leave but at the end of the day they don't want to be accountable for it but management have that function imposed on them by IFSRA, by Government, by regulators, by their staff...but the other guys when it comes to making unpalatable decisions can't stay the pace, they see it as a fair weather exercise ... they are not capable of making the hard decisions and living with them and being accountable for them. And that is the difficulty with Partnership, Partnership is a sunshine state as far as I am concerned, it really does not have the rounded lifelong cycle as I see it where there are ups and downs.

The very nature of Partnership is perceived by the respondent as having irreconcilable elements, on the one hand being employee representatives whose role is to defend and represent the interests of their unions members while simultaneously participating in the making of management decisions which inevitably at some time or other will conflict with those interests. The wish is to participate in the management process but without honouring or defending decisions that they have participated in making is seen as a paradox. The respondent’s narrative somehow reflected Ackers and Payne’s (1998:532) commentary that in attempting to seek definition for the
concept it is necessary to find conceptual tools to ‘decipher the various semantic threads and crisscrossing definitions’.

The respondent offered a specific example in this regard from the experience of a competitor organisation who had negotiated a downsizing programme on a Partnership basis and agreed a severance package including selection procedures in the event of the voluntary offer being oversubscribed. The respondent considered that the IBOA had subsequently acted in bad faith in representing claims at the Labour Court from unsuccessful applicants who were deemed not to have qualified for the voluntary severance package under the procedures which they not alone had agreed but also participated in formulating.

Respondent FS1;

They turned on their heel and said ‘now we are appealing against all of these’ even though they had a nominee on the body that made the decisions and when it comes to that sort of thing you know the concept becomes devalued.

The respondent offered a further opinion that Partnership had ‘raised expectations, provided a negotiating opportunity and a negotiating advantage for the union side’.

Respondent FS1;

What it has given IBOA is an almost guaranteed point of entry for all claims which they expect to be met because they are our partners and that is where it puts management under huge pressure to say ‘yes’ to all things because these are our partners.

A further limitation of the Partnership concept is viewed by the respondent is the presumption that the employer and the trade unions are the only stakeholders with rights and interests.

Respondent FS1;

You know, look at the responsibilities that are imposed today on directors, trustees and others and at all of those, staff and their representatives cannot share, it seems to suggest that in the Partnership model that’s there has only two players, there is management and there is the employees. But it loses sight of the fact that there are shareholders, customers and........it doesn’t seem to acknowledge that there are more stakeholders other than the employer and employee.

The respondent having outlined a number of what he considered flaws or contradictions in the Partnership concept considered that process was not necessary for their
organisation. The respondent not alone considers that *Partnership* is unnecessary but that it is a misunderstood and misused term in the context of the broader community of partners or stakeholders in the business.

Respondent FS1;

> My view is that we have good workable and workmanlike industrial relations in the organisation and there is no substitute for it. You don’t need *Partnership*, you don’t need something that is defined a *Partnership*, but that is not commonly understood.

The Chief Executive of the MM2 organisation was similarly indifferent to the *Partnership* concept and the increased role for the trade union movement. The respondent was emphatic that while employees were unionised and the organisation recognises their union the organisation was not about to do anything to expand the role or voice of the internal unions by creating a *Partnership* Forum.

Respondent MM2;

> We feel that ultimately the responsibility for the employees and dealing with employees is ours and our management, it is not the Unions! They have a role to play but if things are going badly it’s our fault, if things are going well we should work with them. We shouldn’t be working through the Union with our employees. We should see the Union as an aspect, as a partner, but we should deal directly with our employees.

The opposition to this possibility was expressly identified in a subsequent comment in relation to the creation of a *Partnership* forum where the local union Branch Secretary would participate with senior management in discussion of change initiatives. The respondent was emphatic that no such structure would be created. The respondent was cautious and measured in the choice of language and did not reflect any overt antagonism toward the principle of *Partnership* but nevertheless the interviewer was left in no doubt that the organisation had no intention of embracing this model of employee relations and that it did not coincide with his view, or possibly the corporate view, about how an organisation should be managed.

Respondent MM2;

> I will take inputs from people in doing that, the senior management team and myself are responsible, we put our plans together and we put input into them and support for them but ultimately there is nobody to my knowledge bringing a branch secretary to that discussion. They won’t give any more significant input than the shop stewards will give.
In MM1B when asked to make a judgement on the percentage contribution to the decision not to proceed to a full-blown Partnership arrangement was down to the fact that they were an American Multinational;

Respondent MM1B;

I would say 75%.

The negative Key Influence would be considered to be the Corporate HR function.

4.3.3 Theme 3.3 - Key Influencer Effect - Neutral

The use of the term neutral will be used to describe a situation where the key influencer could be described as neither promoting nor obstructing the introduction of Partnership but nevertheless has acceded to the introduction of the model. The Chief Executive and Chairman of the IM organisation which has a ‘nominal’ Partnership arrangement where the company was something of a reluctant bridegroom will be identified as neutral or possibly ambivalent. Progression to Partnership happened by default where the company had introduced an ISO 9000 Quality System and followed on by a number of World Class Manufacturing initiatives such as Quality Self Inspection, Kaisan, Kanban and Continuous Improvement processes. The respondent was emphatic that the organisation change was a product of WCM which had been imposed unilaterally by management as a response to a business crisis.

Respondent IM;

There was no negotiation, we were not far away from the company being in liquidation, it was easy to persuade them. They did not require a lot of persuasion, in fairness, they were realistic at the time.

The company and these developments which significantly increased employee involvement were chosen by IBEC and ICTU who at that time were seeking an example of an organisation in this geographic area to identify as a model of Partnership in Action in their joint promotion of the Partnership ideal. The organisation became persuaded to adopt a formal Partnership agreement with the workforce and appeared somewhat reluctantly to have been carried forward on a tide of events.
In response to a question regarding what type of change did the formal declaration of Partnership bring about, the respondent asserted that changes in management practice and employee relations were already well established.

Respondent IM;

Probably nothing very dramatic you see because it had all happened previously, now it is called Partnership but it had already been in operation.

When asked where the initiative came from to establish a formal Partnership agreement, the respondent displayed an ambivalence toward the idea insofar as he considered it had the potential to become a bargaining opportunity.

Respondent IM;

It was probably from SIPTU, I’m not certain it was probably a joint IBEC/SIPTU approach to us to embrace it and they both knew we were already well down this road so they were pushing an open door to a great extent. In fact they talked about giving us lots of publicity about what we had achieved and we said we didn’t want that because it would raise expectations to unrealistic levels.

The politically appropriate language and attitudes of Partnership were never evident in this interview and probably best demonstrated by the following stream of conscious narrative from the respondent. While the organisation had been held up as being exemplary in establishing a local enterprise level agreement in the early life of the Partnership 2000 Agreement it was difficult to recognise any spiritual commitment to Partnership principles in the mind of this interviewee.

Respondent IM;

We probably need three people in that department but because of social legislation we have four and this day John the shop steward comes into me and says ‘you know what we really need in this company is more family friendly policies....’ And I looked at him and I talked about the customer service department and you need three, you have four, one has been off for the last twelve months with depression, one was off on maternity leave and came back for three months and is now off for 65 weeks carers leave and the other two are on maternity leave, none of the four were there, what more family friendly do you want. Why don’t they f... off and spend all their time with their family etc...

4.3.4 Theme 3 - The Emergence of Key Influencers - Commentary

This was significant in a number of the organisations electing to choose Partnership. New people with new perspectives coming into the organisation and taking on
difficult challenges. Less hidebound by the history and old values, more experimental in attempting to find solutions. These observations parallel Oxenbridge and Brown’s (2002:265) findings where the ‘appointment of a new senior HR or Personnel Manager, or in some establishments, new owners who were disposed toward Partnership’. Such changes are described as ‘coinciding with a culture shift’ although it is not explicit whether the personnel changes were responsible for the culture shift or the appointment of HR staff with a different perspective was the product of some deliberate senior management strategy for change.

In MM1A engagement with the Partnership process was indicative of a willingness to consider all options by a new MD who had no fixed agendas, attitudes or beliefs which precluded an exploration of Partnership as an option. The change to a more visionary leader in tandem with an imminent crisis for the organisation are identified as the compelling influences in MM1A’s progression to a Partnership model.

This finding is reinforced by Roche and Turner (1998:100) assessment of factors in the emergence and development of Partnership arrangements where an important role is played by the ‘values and ethos of senior Human Resource Managers... and their influence in senior management decision making’.

In this context it would appear that Geary and Roche’s (2001:120) country of origin effect was over-ridden by the key influencer effect insofar as the other MM1 organisation in the sample, MM1B identified that 75% of the decision not to participate in Partnership was because of the US corporate influence. This effect had already been noted by Roche and Turner (1998:100) where local management had been given ‘leeway’ to negotiate Partnership agreements ‘which are otherwise unknown in the parent company and are possibly even discordant with corporate human resource policies’.

The significance of this factor is most evident in considering that the newest Irish plants in the MM1 organisation fit definitively into a Unitarist, Non-Union and HRM focussed identity in sharp contrast to one of the sample plants which has a full blown Partnership model.
This effect was most evident in the comparison of both Banking organisations who shared a common industrial relations history up to the bank dispute of 1992 and considered the choice of Partnership as an option to finding a new mode of managing employee relations to avoid the future possibility of industrial relations conflict. It is clear that senior management personalities were the determining influence in choosing and sustaining the Partnership model or indeed rejecting the option as a credible and appropriate choice. The difference in the disposition of key senior management figures to Partnership are polar opposites.

In FS1 the key informant, in a robust denunciation, perceives Partnership as a guaranteed point of entry for all claims, as representing an example of power without accountability, as creating irreconcilable obligations where IBOA representatives had participated in decisions affecting the strategic direction of the organisation but subsequently had facilitated and represented claims in the Labour Court by their members who did not like or who felt they could be disadvantaged by those very decisions. In the public sector Partnership was identified by the FS1 respondent as ‘not having withstood the challenges which the airline industry and An Post are facing’. This comment refers to Partnership initiatives which collapsed in Aer Rianta and An Post in the face of failure to agree changes necessary to secure the future of these organisations. The position of this respondent while not expressed in as colourful a way as Sir Clive Thompson’s comments on Partnership as ‘a Trojan Horse’ or dealing with unions as being ‘akin to pest control’ left the author in no doubt as to his views. (Jacks, Pullinger and Reilly 2000:14). Sir Clive, it will be recalled was former President of the Confederation of British Industry (CBI) and Chairman of Rentokil.

This unequivocal position provides a marked contrast to the position of the new Managing Director of FS2 who was described by the respondent as being ‘quite strong’ on the principle and identifying that ‘Partnership is a key source of competitive advantage’. The key influencer in this organisation actively promoted acceptance of Partnership at all levels within the organisation where some middle managers were in need of persuasion that this was how they should manage at branch level. Higgins (1999:17) illustrates the importance of leadership ‘top management support gives the process legitimacy that spills over to the people involved as project
managers. Without clear top management support middle management can always point at the leader and say “he does not like it either’.

The emergence of a so called Partnership arrangement in the IM organisation was again significantly the product of changes in organisation leadership where the Chief Executive took over an organisation on the verge of collapse and introduced a range of new work practices and innovations which culminated in the concluding of a nominal Partnership arrangement.

4.4 THEME 4 - POSITIONING AND ENGAGEMENT OF HRM PRINCIPLES IN SAMPLE ORGANISATIONS

MM2 does not have a Partnership model but is no less acutely aware of the need to remain competitive, the employee strategy for competitiveness, however, looks to a highly developed and best practice HRM model of employee involvement. Many of the themes which were touched on in this interview are consistent with Storey’s HRM model (Table 2.4.2). The organisation’s focus on business need, direct communication and increased communication flows, team working, management of climate and culture, commitment to employee involvement and strongly Unitarist perspective suggest a significant alignment with HRM philosophy.

The Chief Executive described the recent experience of gaining Class A Supply Chain Management certification where 24% of the Workforce were involved on a voluntary basis in eight project teams working toward certification approval.

The employee relations strategy in the organisation could be said to reflect Roche and Turners (1998:76) concept of Dualism where HRM practice and principle and collective bargaining exist simultaneously but separately in an organisation.

Respondent MM2;

So we do involve the Union structure via the shop stewards by communicating with them and taking their input on board etc. If we were not a Unionised plant that structure would not be in place but everything else would be exactly the same.
The respondent was at pains to point out that while some plants were unionised and some not, the key influence in determining the organisations relationship with employees was a corporate value informed by a commitment to developing a HRM employee affirmative culture.

Respondent MM2;

So the post 1980 plants of MM2 in Ireland tend not to be unionised and I would suggest that if you walk into MM2 plants in Ireland whether they are unionised or not you would not see a great amount of difference, the fact that we are unionised doesn’t change in any shape or form our attitude to the employees, not one iota!

FS1 sees an increasing body of rights and their commitment to quality and professionalism in management, underpinned by a commitment to best practice HRM policies has resulted in less staff issues. High standards of HRM practice in line with Guest’s principles as cited by Bratton and Gold (1999:21) were also viewed as having relevance as important recruitment and retention tools. These standards were seen as identifying the organisation as an employer of choice in the eyes of a recruitment pool who ‘are extremely discerning, and they know what they expect, they know what they want’ and if a particular organisation culture does not suit ‘they know if they are not getting it, somebody else will give it to them.’

Respondent FS1;

You have in these locations people who are alert, who have a good people management skills who were proactive who are good communicators who have good HR practices and who get out on the floor and deal with it.

FS1 see that the organisational culture it has generated has resulted in less necessity for union representation and consequently the extension of that role through a Partnership arrangement.

The MM1B organisation was described by the respondent as previously having had a ‘hard case’ HRM focus but was now in a state of transition to a soft HRM model. When asked to locate the organisation on a hard/soft HRM continuum of 1 to 10 the respondent’s view was;

Respondent MM1B;

I would say we are probably at 5,were probably middle of the road, but we moved from a position of 2 or 3 over the last number of years.
A number of initiatives were in place to reposition the HR function, Organisation Development consultants and HR consultants were being contacted to develop a soft HR model.

Respondent MM1B;

Our focus on HR has been purely industrial relations, recruitment, training and administration. We have not gone into areas like development, succession planning, career planning, communications, organisation design, and competencies.

The country of origin effect is apparent in that the initiative for the shift in HR thinking is inspired by the US corporate parent rather than a local influence or host country effect and is not necessarily being welcomed by the operational areas. The country of origin might be viewed not alone as an influence on HR thinking but rather more as defining HR as a determinant of organisational culture and values.

Respondent MM1B;

Now there is a view that we need to be more in the 9/10 region of the soft HRM model and the US are moving very rapidly toward that. At this site there is not a particular desire to move but we have been forced by what has happened in the corporation and that means our progress is a bit slower. If you catch my drift....

The cultural shift required by the corporate parent is seen by the respondent as presenting a major challenge for the local HR function where the change is perceived by operational managers as being a change which affects the HR function exclusively without having meaning or implication for how they as a group manage. The corporate parent recognises the necessity to change and develop and to create a more progressive and affirmative culture for its employees, a view which appears is not shared by the local management group ‘There would not be a willing acceptance among our management group that people management is a direct function of theirs’. A conscious choice had been made by the organisation to reject Partnership as a model for change after the PACT programme had been completed. In response to a question as to whether change was going to be pursued from a senior management agenda or through a Partnership agenda the respondent answered ‘Yes definitely from their (senior management) agenda’.
In FS2 the perception existed that some of the people management practices considered to be part of the ideology of *Partnership* have already existed independently of *Partnership*.

Respondent FS2;

He (The Managing Director) is trying to put that message across but its still quite a difficult thing even today like he could walk into a branch and they could say this thing does not work at all, then other people say well we have been doing this for years and we have just called it this.

The relationship of these practices is aligned in the views of the respondent with good people management practice.

Respondent FS2;

It was trying to get that across to them that this was something that was good management practice, ok we call it *Partnership* but it could be called better management, better relationships that was the hardest thing you know trying to break through that culture. A lot of people thought that it meant “are you now telling me that I can’t manage my staff in a particular way” that I have to go and talk to the branch rep about everything’.

**4.4.1 Theme 4.1-The Role of Communications in Promoting Positive Employee Relationships**

Good communications was a feature of almost all organisations in the sample irrespective of whether *Partnership* arrangements existed or not.

The IM organisation who embarked on a change programme beginning with ISO 9000 and seamlessly progressing to WCM to finally having a nominal *Partnership* arrangement with SIPTU identified the importance of a culture of open communications which had facilitated the smooth progression to WCM.

Respondent IM;

It was a fairly open culture of communication which is a bit unusual. To be honest if I went in and talked to them in the canteen for forty minutes I don’t believe they understood half of what I was saying but as someone said to me it’s the very fact that you consult with them took away a lot of the fears and that was new. So there was the open culture and there was the realisation that there had to be change.

The necessity for developing good communications and a new level of commitment to the principle was expressed by Respondent MM1B in organisation MM1B where the
influences were identified as a corporate move to a softer HRM model and attendance by key managers at the PACT programme. PACT was an initiative pursued by National Centre for Partnership (NCP) and predecessor of the NCPP. The respondent describes how the programme run by ICTU and IBEC was a source of influence.

Respondent MM1B;

Well we used a lot of the approaches we learned ..... in terms of the communication from a management perspective, we got an awful lot of benefit from that because there were some very good structures and theory on which to build our own communication systems for our people.

Other benefits derived from this experience were the relationship building opportunity with shop stewards and the development of what was referred to as ‘a very personal and very close relationship’. The respondent described how a body of opinion existed to the effect that PACT was a wasted effort in that it failed to deliver on Partnership at local level but his own belief was that it had created a better level of mutual understanding.

Respondent MM1B;

It has helped the shop stewards and union people to understand the difficulties that management get politically and financially and it will give them a greater appreciation for how procedures are made.

Communications structures which developed included informal team briefings where supervisors talk to their teams every three to four weeks. Managers are expected to meet their teams every month or two. The communications process is not presently co-ordinated but the organisation is presently recruiting a dedicated communications manager whose initial task will be to carry out an evaluation of the present effort.

Respondent MM1B;

A full time communications employee within the HR function and their first role will be to look at the communications structure and see if it appropriate and then the communications and what are the messages we are trying to get across to people and are we getting them across?

FS1 viewed communication as an important company value supported by senior management, reflecting leadership which is available and accessible to employees. Communication through multiple channels, weekly staff meetings, team briefings,
newsletters, and road shows were standard features. Communication was considered important in developing an understanding of the reasons for change and facilitating the acceptance of change.

Respondent FS1;

All of these are essential communications vehicles and have to be used to maximum effect to make sure that the staff (a) know, (b) understand (c) hopefully accept the logic of the change that we are going through.

The organisation works at creating an affirmative culture for employees and conducts annual satisfaction or engagement surveys through Gallup. FS2 also referred to the importance of good communication as a principle of their Partnership agreement. ‘A principle is that both sides will develop an open and frank communication culture’.

In FS1 direct communication is an important principle which ‘cannot be delegated to third parties’. The primary relationship is that between the employer and the employee as identified by the respondent from FS1.

Respondent FS1;

We cannot cede that authority or function or call it what you like to a third party its your responsibility they are our employees and regardless of their membership with the trade union or otherwise we are the ones with whom they have the contractual relationship.

The importance of direct communication is also underlined by MM2. The organisation had taken a highly individual approach to managing its relationship with employees and had concluded it’s own wage agreements with the various unions representing those employees rather than allowing these decisions to be taken at national level since 1988 when centralised bargaining recommenced.

Respondent MM2;

We feel that ultimately the responsibility for the employees and dealing with employees is ours and our management, it is not the Unions. They have a role to play but if things are going badly it’s our fault, if things are going well we should work with them. We shouldn’t be working through the Union with our employees. We should see the Union as an aspect, as a partner, but we should deal directly with our employees but their role should be, and from 1987 onwards we started to work towards improving communications with the employees.

Storey (1992) in identifying the shift from traditional Personnel and Industrial Relations models to HRM had recognised the move from restricted flow/indirect
communication to increased flow/direct communication. Direct communication, is described by the MM2 respondent as an ongoing process to increase the employees' knowledge and awareness of the business issues and the business constraints. The organisation attempts to have an open line of communication and has developed formalised briefing systems where employees receive a formal briefing every two weeks. The briefings are described as two-way communication opportunities rather than simple business updates for staff. In addition to regular briefings from their supervisor staff do attend a more comprehensive information session on the state of the business at least once but possibly twice annually from the Managing Director.

Respondent MM2:

So the employees are aware where we as management are trying to get to and what are the issues to get us there. So again that understanding is there and the attitude would be “we’re in this together” that the investment to which we are in at the moment was achieved because of us together not because of any one individual it was because of work done in the 80s, work done in 1992 to get more products in here and investment in 1998/99 for €20m. All that was successful and over time, and this is the most significant thing, over time by working together we have built confidence in senior management.

The respondent identified that the level of trust that had been achieved was significant in that the plant had developed an important track record on delivering success and more than justified the corporate parents confidence and continuing investment in technology updates and new product development. An analogy was drawn between their success and earning consistent investment and having a positive credit history with the local bank where loans had consistently repaid before the due date and which in turn facilitated further borrowing.

Respondent MM2:

We have been building that trust in our plant over that time we have been building an understanding by the employees of the business and the constraints of the business. And the constraints cover a multitude, they cover cost, cost is obviously important, the cost of everything is important, but they also cover helping the employees understand the changing world out there from a compliance point of view, from a safety point of view, from a quality point of view so as we change our procedures internally it would necessitate them doing things differently but they understand why.
4.4.2 Theme 4-HRM Commentary

All organisations within the sample reflected significant commitment to developing progressive employee relations policies regardless of Partnership arrangement. There was no overt statement of the development of a HRM culture being a conscious union substitution option coinciding with Roche and Turners (1998:68) observation. It is not possible to conclude whether these initiatives were part of an evolving set of corporate employee relations practices or whether they were conscious substitution choices. In the US multinationals the greater likelihood is that these practices have been driven by corporate HR policy and that there is a strong country of origin effect. The thinking that has informed corporate policy, however, is most likely a Unitarist focussed union avoidance strategy where the relationship between the employer and employee is considered the primary relationship.

The MM1B respondent outlined a new corporate HR consciousness to move toward a softer HRM model. This was presently a concerted initiative where Organisational Development consultants and HR consultant were engaged in promoting a corporate culture shift to a soft HR model. This activity was being driven by the corporate parent and the local site and involved the recruitment of a full-time Communications Manager.

The employee relations strategy in the MM2 organisation could be identified with Roche and Turners (1998) concept of Dualism where some of the range of HRM practices and collective bargaining co-exist simultaneously but separately in an organisation. The respondent was emphatic that the principal informant of corporate employee relations consciousness was driven by commitment to HRM values and was no different in plants which were unionised or not unionised.

The respondent in MM1B had outlined a corporate commitment to move to a soft HRM model supported by a major organisational development initiative and identified the company as having a very strong culture in mission, vision and values supported by having the best people in management positions. Values were defined as ‘respect, collaboration and leadership, integrity and quality of our products.’
In FS1 a commitment to HRM practice was considered an important cultural aspect of the organisation values. The creation of an employee affirmative culture was identified as an important element of the recruitment and retention strategy. The need to manage the quality of the primary relationship between employer and employee was seen as an essential activity and the development of good communications skills and good HR practice in maintaining that relationship were viewed as fundamental management skills.

It is not possible to state definitively whether the presence of HRM in the sample organisations existed as a deliberate and concerted strategy for realigning the employer/employee relationship toward a more Unitarist focussed identity. It is the author’s belief, however, that HRM became a more visible narrative in the interviews with the organisations who did not have Partnership arrangements and was raised consciously or unconsciously by respondents to identify a legitimacy in their choice not to embrace Partnership. While Roche and Turner (1998:68) had used the term substitution to mean companies using HRM to displace the necessity for trade union representation in this context it seems that HRM was identified as a substitute for Partnership in organisations which Roche and Turner (1998:76) would have termed Dualist. The author concludes that these respondents found it necessary to validate and legitimise their non Partnership choices during the interview. While it is not possible to ascribe a motivation to these organisations in adopting proactive HRM policy it is reasonable to conclude that the affirmative employee relations values described in these organisations reflected a felt sense of vindication that they were responsible and enlightened employers and therefore Partnership was a superfluous activity.

4.5 THEME 5 - POWER AND CONTROL

Issues of power and control were conspicuous in all organisations within the sample regardless of whether Partnership existed.
4.5.1 Theme 5.1 - The Right to Manage - Partnership and the perceived dilution of management prerogative

In MM1B the initiative for Partnership came from the unions on completion of the PACT programme and as a consequence of the Celtic Tiger where 'people wanted a bigger slice of the cake than national bargaining was giving them'. The company rejected the Partnership request 'no thanks' and offered a productivity deal instead which was accepted.

Respondent MM1B;

So basically instead of looking at Partnership we went down the route of productivity and we used some of the Partnership tools for that. But potentially it came down to a bargaining process.

At an earlier stage of the interview when asked to identify what sort of influences informed the decision not to engage with Partnership the fact of the corporate parent being an American multinational was identified.

Respondent MM1B;

'First of all we have alluded to the American and multinational philosophy and management's right to manage...in terms of percentage influence of the decision I would say at least 75%'.

The right to manage, however, was qualified in describing an organisational culture which aspired to 'managing correctly as opposed to bullying or a might is right approach'. The right to manage was not seen as based on a view of power being a force for domination or control. The right to manage was qualified by a commitment to positive values and professionalism.

Respondent MM1B;

We put the best people in management positions and I think we made the proper decision based on all the variables and factors. We have a very strong culture in mission, vision and values and our most important one is respect for people. Our collaboration and our leadership would be the main drivers of our beliefs and our manner of dealing with people and making decisions. Respect, collaboration and leadership, integrity and quality of our products, these are our employee values.

The respondent in the MM2 organisation described his view of the employee relations model as being unquestioningly management led. In response to an observation by the interviewer that their model would ultimately not be a worker participation or Partnership forum as described by Partnership 2000.
Respondent MM2;

No, I don’t think so. Its more a different model its management led and high employee involvement and participation and commitment. The decisions as to where this plant is going and the management plant and the priorities of it ultimately I see as to be the management responsibility and I don’t see the local branch secretary having a responsibility or a role in that, they have got a role in terms of the involvement and participation but in the multinational model it is.....

The statement concerning the role of the branch secretary in the multinational model tailed off and was not completed or elaborated on by the respondent. When asked if there had ever been a request from the Branch Secretary to consider the Partnership forum model the respondent indicated that the Branch Secretary was happy with the arrangement that was in place and that the shop stewards had access to them if necessary.

Respondent MM2;

If they wanted to attend with the shop stewards fine, we would not say no, what we do is send the minutes of the shop stewards meetings we send them every so often our plant briefings so they know what’s going on so we don’t ignore them. They are part of it but not part of a structure as such.

When pressed further on this question as to what the organisation’s response to a representation from the union regarding a formal Partnership arrangement would have been the respondent was unequivocal as to where the responsibility and ownership for decision-making lay.

Respondent MM2;

We would have looked at it but there are no hard and fast rules. Ultimately the responsibility, I am held responsible by Corporate for the running of this operation and I will judged on that basis. I will take inputs from people in doing that, the senior management team and myself are responsible, we put our plans together and we put input into them and support for them but ultimately there is nobody to my knowledge bringing a branch secretary to that discussion. They won’t give any more significant input than the shop stewards will give.

To identify whether the employee relations model which existed in this plant was a function of a specific history and set of relationships the interviewer asked if this model was replicated in other plants in the Irish Group.
Respondent MM2;

Ok, is this an arrangement that is in place in the other MM2 plants? I don’t know, I would say that each plant’s model is different and if you talk to the Group HR Director you will probably get a better feel for it. The unionised plants are obviously A, B, C. . . . . So the post 1980 plants of MM2 in Ireland tend not to be unionised and I would suggest that if you walk into MM2 plants in Ireland whether they are unionised or not you would not see a great amount of difference, the fact that we are unionised doesn’t change in any shape or form our attitude to the employees not one iota.

The respondent from the FS1 speaking about their relationship with the IBOA was unequivocal in his interpretation of who was running the company.

Respondent FS1;

We have respect for them (IBOA) we deal with them, we acknowledge their right to represent the staff and we look to do whatever is appropriate in the circumstances. That does not mean that we will roll over on all issues, if are wrong we are wrong, if there is an issue we deal with it, but is does mean that if we have to take a stand on occasions we will stand and fight on occasions if it is something the organisation feels is appropriate and if the IBOA are resisting then if we have to have a row then so be it.

Power without responsibility as an aspect of Partnership was a consistent theme within this interview

Respondent FS1;

As far as I am concerned it gives people earlier and deeper involvement without any of the responsibilities.

The perceived compromise of the right to manage was also a concern of FS2 who have opted for Partnership. The challenge was in getting some line managers to accept the model.

Respondent FS2;

A lot of people thought that it meant ‘are you now telling me that I can’t manage my staff in a particular way that I have to go and talk to the branch rep about everything’. So that was one of the biggest things to cut across there was a real fear that people felt that the union, that you are now in bed with the union, that the bank become so closely aligned with the union and likewise that they are both potentially the same thing. So that was the biggest difficulty to get over in terms of how we have overcome that . . . .

Staff were ‘afraid of the control that was being maybe handed over to the unions’ This fear was manifest right up to senior management levels.

Respondent FS2;

It would have been quite widespread because obviously initially there might have been some scepticism around the senior table saying like what is the benefit of that, like its quite hard to show the tangibles, like you asked me the question there can you show cooperation at local level, like you can’t see that yet. So initially it was hard to get buy-in from that table and
lower down below them like they have groupings of managers that report to them so that train of thought flows from one level to the next.

Concerns were expressed and questions asked as to; why are we doing this? what are the benefits? why is our major competitor not doing this?

4.5.2 Theme 5.2 - Power Dynamics in Sample Organisations

It is possible to infer from the research findings the following power influences at play in the sample organisations:

**MM2**

- Employee involvement but management led.
- A conscious strategy to maintain a peripheral arms length relationship with official union structures.
- No wish to elevate the position of the trade union professionals through internal *Partnership* structures.
- The primary industrial relations working relationship is with in house stewards which CEO endeavoured to manage.
- A deliberate choice to negotiate pay deals outside of national agreements where an element of greater element of local control in agreeing quid pro quos for settlement above the national agreements was available.

**MM1B**

- The choice not to enter *Partnership* influenced 75% by the fact that the corporate parent is a US Multinational.
- The corporate parent was currently involved in a high visibility campaign to move to a soft HR focussed culture where this model will no doubt move the organisation toward a more *Unitarist* culture which introduces a new form of control.
- It was not stated what precipitated the move but most likely was a substitution strategy at corporate level.
MM1A

☐ It is likely that this organisation had in fact lost control as a consequence of historical leadership and management failure and has regained the control and the right to implement major change initiatives as a consequence of engagement with Partnership.

☐ Agreement has been secured on annualised hours, redundancies and team working as an outcome of the Partnership Agreement.

IM

☐ A pseudo power sharing arrangement where a nominal Partnership arrangement exists where employees are 'told' about impending change rather than participating in and influencing the shape of that change on a Partnership basis.

FS2

☐ An example of an organisation closest to the principles and structures of a definitive Partnership arrangement.

☐ Employees share and participate in the power of decision making at strategic level.

FS1

☐ Commentary in regard to Partnership as 'power without accountability'.

☐ Unions seen as reverting to type in the face of difficulties

☐ Impacts on management’s ability to reject claims. Need to defend against a situation where Partnership became a 'guaranteed point of entry for all claims' and the potential in a power sharing arrangement for the organisation to resist such claims – 'Well they can't say no can they'.

☐ Partnership seen as representing a new forum and s leverage for negotiation.

HRM and Pluralism- The perception that power is exercised for a common good.

4.5.3 Theme 5.3 - The Right to Manage - Country of Origin Effect

The significance of this effect being an impediment to the acceptance of Partnership was explicitly stated and accepted in MM1B but was completely refuted in MM1A.
This influence can reasonably be inferred by the parent company’s choice in the newest plants to retain the exclusive right to manage in not to recognising unions. It could be argued then that it would be a plausible conclusion to draw from these facts that a corporate influence is exercised as proposed by Geary and Roche (2001) where the ‘country of origin’ effect predominates over Turner et al’s (1997) ‘conformance thesis’ in relation to HRM and employee relations practice. It is difficult to see how Partnership as an ideology could be accommodated within the anti-union orthodoxy identified with US management which Guest (1990:388) attributes to Kochan’s assertion that ‘American managers share a deeply embedded anti union sentiment’.

Another US Multinational, the MM2 Organisation, in the sample, had clear evidence of high levels of employee involvement which could be identified as representing some of the ideals of Partnership but which the Managing Director was highly reluctant to categorise the relationship as a Partnership initiative. The Managing Director of this organisation expressly stated and repeated that responsibility for running the organisation was his and his alone. HRM focussed employee involvement initiatives were repeated referred to as being management led. Marchington (1995:83) had identified the differences between employee involvement and social Partnership as being management led ‘As such, direct participation (Employee Involvement) is fundamentally different from industrial democracy and indirect participation schemes such as consultative committees which are collectivist and representative in form or forms of social Partnership’.

It would not be an unreasonable conclusion that avoidance of the term Partnership by the respondent in MM2 was a conscious and deliberate choice to avoid creating an expectation and approach from the trade unions represented in the organisation for the formalising of a ‘de facto’ Partnership relationship. The ultimate threat to the right to manage would be an ambition for the extension of this relationship into a demand for internal Partnership structures which would raise both the profile and voice of the in-house unions. Ackers and Payne (1998:530) had seen Partnership as an opportunity for the British trade union movement ‘to regain a central presence in the employment relationship’. Geary and Roche (2003:13) had identified ICTU’s view of Partnership as ‘a means of bolstering unions’ influence in the workplace’. The organisation was happy to engage in management led employee involvement activities at operational
level but clearly had no intention of extending the arrangement to a Partnership where employees and their unions would be involved at a strategic level in any form of strategic decision making. Marchington (1995:83) had defined employee involvement as being ‘management sponsored and not surprisingly reflecting a management agenda’. The organisation consequently was viewed as maintaining an exclusive right to manage and to decide the strategic direction and future.

The assertion of the right to manage is a prominent feature of new foreign direct investment based organisations which are tending toward operating in a non-union environment (Geary and Roche 2001; Roche and Turner 1998). This right, however, is tempered by a strong commitment to the management of a positive employee relations culture. A significant development in two of the long established US multinationals surveyed was the progression from union recognition and exclusive recognition rights through the operation of closed shop agreements to operating in a non union context in new Irish based plants opened within the last ten years.

This was also a feature in one of the two banks surveyed where a new services centre is being operated on a non-union basis. In the context of the debate on ‘country of origin effect versus host country effect’ in determining the employee relations strategy of multinational operating outside of the US it is significant that not only is the country of origin effect operational in the situation just described in two of the sample organisations but is also influencing employee relations policy within indigenous organisations such as FS1.

4.5.4 Theme 5 - Power - Commentary

In an earlier section in this chapter- Crisis threatening continuity of existence - the CEO of MM1A had outlined how the organisation had become unmanageable. Employees had refused to co-operate with the most simple procedural changes required by the US Food and Drug Authority, MM1A had lost the right to manage. The power to manage had effectively been withdrawn by the workforce where the company had lost the moral authority to manage the most basic operational change. Intransigence prevailed even where the legitimacy of these changes was objectively verifiable in the sense that the imperative was created by a binding condition imposed by an external agency rather than a local management directive. Parson’s (1963)
legitimation of power had vanished in an evolving command and control management mindset by a management team that had ‘no experience’, ‘made all the mistakes that one could make’ and ‘lacked technical expertise’. Legitimation of power had ignored French and Raven’s (1959) emphasis on *expert, referent and reward power* and had sought to retain control through the power of coercion by a failed leadership.

Conflict became the outcome of unresolved power issues in a culture that had evolved over a twenty-year period. The scale of the problem is evidenced by the fact of 22 strikes in one 12-month period. The respondent did not allude to the position of the corporate parent, however the respondent in another plant within the Irish group identified the parent company as having been ‘a hard case HRM company’ in the past.

The position of the organisation was described by the new managing director when he fully comprehended the challenge that lay ahead. ‘I did not appreciate where the people were and how far they had to come’ Scott’s (2001:40) citing of Etzioni’s view that structures of command and expertise involve a degree of ‘moral involvement’ of ‘subalterns’ in their own subordination’ is significantly absent. The company had not made the transition from an old world industrial relations agenda at the extreme end of a pluralist tradition where power is seen in terms of a zero sum power struggle to a modern HRM focussed *Unitarist* view of the exercise of power.

To recover the necessary right to manage and direct the organisation, senior management had to eventually decide to share power as a means of recovering control through the engagement of employees and their representatives in a *Partnership* forum. The decision was set against a background where the organisation had little or no options and pragmatism consequently prevailed over principle. It is not certain how trust was lost, this was not a theme pursued in the interview but the organisation history was identified as having a command and control management focus and a lack of technical expertise. This represents a significant deficit in the power and persuasiveness of expertise and knowledge cited by French and Raven (1958) and Scott (2001). Etzioni’s ‘moral involvement by subordinates in their own subordination’ has been undermined by the lack of trust and confidence in managements expertise.
The collective goal of the workforce appears to be an ambition to frustrate the exercise of power by management and deny their right to exercise legitimate authority. The zero-sum view of power by the workforce would inevitably result in a negative-sum outcome where a sense of invulnerability was conditioned by an acute manifestation of ‘groupthink’. The ‘might is right’ perspective would ultimately have lead to a collapse of the organisation if the locus of power was not realigned, management ultimately had to share power to recover authority.

The recovery of the power to direct the organisation is evidenced by an Industrial Relations News report published after this research interview which identifies the successful negotiation of an annual hours agreement, new team working structures and a redundancy programme. Any one of these changes would not have been possible in the pre Partnership climate.

In comparison the second plant within the Irish organisation, MM1B had a dimension of choice available since no critical incident situation as such presented itself. The unions made an approach and requested consideration of a Partnership arrangement. The company after some exploration and participation within the PACT programme declined. The trade off for the company’s refusal was the offer of a productivity deal which offered employees increased earnings as a quid pro quo for change. The company elected to buy the acceptance of change rather than allow the unions into the strategic decision-making process which considered the necessity for change and the actual shape that change would take. This theme was also evident in the MM2 organisation where the organisation did not have a Partnership arrangement but had a number of unions represented. A significant feature of this organisation was that it chose to stay aloof from national pay agreements and to negotiate on their own terms with their unions. An element of these agreements was where the company paid rates of increase in excess of national levels but bound their unions into agreement to the company’s right to introduce change.

Preoccupation regarding the right to manage was most evident in the companies adopting what Roche and Turner (1998) had described as a Dualist approach namely MM2 and FS1. In comparison FS2 and MM1A the language of employee relations was underpinned by a different rhetoric outwardly less concerned with issues of
power and control. In MM2 and FS1 maintaining the right to manage became an imperative and was a narrative thread throughout these interviews. It seemed that a felt desire to progress to a Unitarist organisation culture was being frustrated by the existence of an historical union presence and structure which had to be reluctantly acknowledged and managed.

The exercise of power as dominance or in determining an unjust or one sided division of rewards and resources is heavily circumscribed by the expansion of employment legislation, the development of an extensive floor of rights for employees means that the arbitrary and one sided use or abuse of power is no longer within the facility of the employer. The balance of power has shifted and the employers right to manage must be tempered with regard to what is considered acceptable practice in how they use power. This was a theme actively pursued by the MM2 and FS1 respondents who took pains to explain their views on the exercise of power within management. The FS1 respondent particularly saw misuse of power as being a trigger to industrial relations problems and perceived that it was behaviour associated with weak or unprofessional managers. The MM1B respondent identified respect for people as the most important value of their strong organisation culture where only the best people were put in management positions and with an emphasis on managing professionally.

Fox's (1975:35) Marxist reference to class based exploitation and ‘disparities of power between the owners and managers of economic resources and those who depend on those economic resources for their livelihood’ must be reconsidered given a platform of legislation where 25 pieces of individual employment legislation and 8 separate adjudicating bodies have been created.

The exercise of power is now mediated by a new awareness of the consequences of misuse of power where bullying and harassment are issues to be managed out of the workplace. Codes of conduct in relation to bullying and harassment are or should be part of management practice in all organisations with no less than three separate codes of practice drawn up by different Government bodies. A substantial body of cases in civil law where employers have had to fund substantial awards where their conduct and standards were judged unacceptable now exists.
The perception of power as dominance is replaced by a more subtle exercise of control through organisation culture and especially HRM where values become the guiding principle for employee behaviour as opposed to management direction. This theme was prominent in all the sample organisations who had rejected the Partnership ideal and where clearly defined values had been established which were enthusiastically articulated by the various respondents.

Whether one looks at the Scott’s (2001) disciplinary power of HRM from a Marxist perspective where it becomes the author of false consciousness or from a Foucauldian perspective where such power becomes in Eyde and Lintner’s (1996:65) terms a ‘positive and productive force’ is up to the reader’s own political standpoint. Whatever the motivation on the part of employers HRM has become a powerful source of cultural and behavioural norms in contemporary organisations in defining how power is employed in respect of managing people.

What is clear from the findings, however, is that organisations are powerfully aware of the need to create and maintain a positive working relationship with their employees where individual employee satisfaction, the avoidance of conflict by removing many of the triggers of confrontation through the development of a professionalism in people management, has become an accepted imperative. This was particularly evident and expressly stated in the MM1B organisation where a real need to create a major shift in organisation culture to a soft HRM model had been recognised and was presently being acted on.

4.6 FINDINGS BY ORGANISATION

This section will consider a more general discussion of the progress to Partnership in the three sample organisations who have a Partnership Agreement

4.6.1 Organisation IM

The organisation while held up as an example of a Partnership organisation in a feature in Industrial Relations News had not set out explicitly to move to a Partnership model. It had found itself in a situation where its continuity of existence
was in considerable doubt and had resorted to the introduction of ISO 9000 as a means of updating its manufacturing processes and quality standards

Respondent IM;

It was essential from a quality point of view, it was essential from a point of view of making the manufacturing process more modern, more efficient, taking out a lot of cost, fairly typical a lot of a white-collar jobs disappeared at that stage. It was no longer a guide to production planning.

Initial successes with the ISO standard led to the introduction of further structural changes through the development of World Class Manufacturing systems and procedures in 1994.

Respondent IM;

The ISO and subsequently world class manufacturing changed the way we operated quite a lot. The quality inspectors were dropped and not only did the quality go up but we had a lot less waste because the guys stopped the machines when the problem was identified.

Consultants were recruited to work with employees in project teams to move the modernisation of the production facility forward. High levels of employee involvement characterised the initiative.

Respondent IM;

They worked with us and we did it on the basis of project teams and the project teams would have consisted of our consultant, our WCM manager, the supervisor in the particular section and about three people from the particular section and they sat down and they worked it all out and it was fairly typical stuff of WCM. They sat down in the conference room with lots of post-its and they described how it actually operated today step by step by step and they covered the wall with these post-its and then they said how can we do it better and the teams were fully involved redesigning their own work.

A significant feature of the change from an industrial relations perspective was the absence of consultation and ongoing involvement by SIPTU in a change process of such magnitude and implications and particularly given that the organisation subsequently becomes identified in relevant Journals as an example of an organisation engaging in Partnership practices.

Respondent IM;

So there was an initial meeting with SIPTU to tell them we were going to do it after that there was really no further negotiations with SIPTU it just happened........ There was no negotiation. We were not so far away from the company being in liquidation, it was easy to
persuade them. They did not require a lot of persuasion in fairness they were realistic at the time.

The change to WCM was wholeheartedly embraced by employees to the extent that the Managing Director described how it became a status symbol to be on one of these teams. Equally remarkable to the degree of commitment was the speed of implementation of changes worked out on the project teams.

Respondent IM;
We discussed something on the Tuesday and before I'm back the following Tuesday it's already happened. It was heavily embraced by everybody, management and the workforce. We got very positive feedbacks from the guys on the team. “No, no you can’t do that, that won’t work” they were saying it won’t work for practical reasons not that we won’t let it happen.

The move to Partnership was ultimately a consequence of employees seeking a restructuring of the reward system which the company acceded to. The Managing Director attempted definition of the attitudes of the workforce.

Respondent IM;
Well we have co-operated an awful lot in improving the finances of the company and its pay back time. That phrase mercifully wasn’t used but that was the tone.

The change to the reward system including the introduction of gainsharing was approached on a Partnership basis. ‘This was actually tackled on a Partnership basis although we did not use that phrase’. The respondent was unequivocal in identifying that the Partnership process which existed in spirit if not in name was a consequence of the move to World Class Manufacturing and the degree of employee involvement in the design and implementation of that change. In the eyes of the respondent not a great changed as a result of the formal declaration of Partnership.

Respondent IM;
Probably nothing very dramatic you see because it all happened previously, now it is called Partnership but it had already been in operation.

IBEC and SIPTU were the prime movers in encouraging the company to formalise their relationship as an explicitly declared Partnership arrangement, both SIPTU and IBEC were at the time attempting to find three organisations in the North-West region who they could hold up as examples of this new industrial relations arrangement. The
respondent had identified the influence of these organisations when asked to reflect on where the initiative had come from to consider the move to *Partnership*.

Respondent IM;

> It was probably from SIPTU, I’m not certain it was probably a joint IBEC/SIPTU approach to us to embrace it and they both knew we were already well down this road so they were pushing an open door to a great extent.

The respondent had declared a reticence to consider the change in the first instance in the light of his view that a *Partnership* arrangement would be a catalyst to raised expectations regarding pay and conditions.

Respondent IM;

> In fact they talked about giving us lots of publicity about what we had achieved and we said we didn’t want that because it would raise expectations to unrealistic levels. The bottom line was guys could earn some more money but it wasn’t a king’s ransom and we didn’t want everybody to think this is wonderful and expectations would blow up and we played a relatively low profile.

The respondent expressed a continuing insistence that change in the organisation was a product of the ISO and WCM initiatives which were already well established and had been more instrumental in creating a new organisational culture than the PACT training which managers and shop stewards had participated in following on the declaration of a *Partnership* agreement.

Respondent IM;

> It wasn’t a major thing for us (PACT), the major thing for us had been achieved previously under the WCM programme, the ISO and the WCM programme that was really where the cultural changes came in the company. This merely reinforced what was already done beforehand and I suppose in a way it sort of made it more acceptable for us because changing the culture in that way made it more acceptable to us it was different world at the time and it helped from that point of view. PACT was the ‘in’ word at the time and unions embraced it.

The organisation subsequently acquired two plants in the UK in city B and city W and in response to a question as to whether the model in the Irish plant and that experience had translated from the Ireland to the UK the respondent answered ‘not in a very formal way’. World Class Manufacturing was described as not having completely happened ‘but it’s happening’. Following an assessment of it’s position in the UK the company decided to close the B plant and implement a redundancy programme in W.
'we went through a slimming down process and it was only when that was basically completed that we resumed world class manufacturing like what is happening at the moment’. In answer to a question as to whether these changes were negotiated or bargained over the respondent stated;

Respondent IM;

We basically announced we were doing it, I explained what was involved and again it made a lot of people redundant in W because their costs were too high for some of the processes. In W they were mainly involved in metal bashing and assembly and it was very labour intensive and you just couldn’t justify it. And had previous management had been doing their job properly they would have outsourced a lot of the production. They funked it frankly. When we took over we didn’t and we outsourced a lot of it and we want to keep as much here as we can and that is the way to do it. The troops bought into it.

The respondent ultimately expressed considerable reservations regarding the expansion of employee rights and entitlements which have resulted from National Social Partnership.

Respondent IM;

I do have issues with social legislation. While it is all very desirable the implementation of it can be a nightmare in our situation. I accept around maternity and childcare and things like that and I gave you the worst example one of the supervisors went off on maternity leave and came back sort of after 5 months but didn’t come back because she was ill, genuinely ill and she was off for 8 months and she is back and she won’t be back quite a year when she is going on maternity leave again, that’s a supervisor in a Dept. Anybody can tolerate that for once or twice but when you have had four of them out and followed by a period when the supervisor who does a good job, does a very good job for us, but she then goes on maternity and she’s back and gone again in 12 months. I do have problems with that. It makes it very difficult to run the company properly. And to be honest the more that spreads into the workforce the more China becomes an option (outsourcing Production). It is as simple as that and I am not sure that a sense of perspective is kept in mind on that is against a background where we source a considerable proportion of our products from the far east.

Other contextual themes – IM:

- ISO and WCM predate Partnership.
- A cultural shift achieved under these initiatives is subsequently redefined as Partnership.
- Requests for restructuring of the payment system provide the stimulus for redefinition.
- Concerns expressed by management that increasing expectations regarding pay and conditions would result.
- Little evidence on management engaging with the spirit of Partnership.
4.6.2 Organisation – FS2

The impetus for seeking a new Industrial Relations model in this organisation was identified as the 1992 Bank strike. In 1994 the Bank entered into discussions with the IBOA and considered industrial relations models from Scandinavia, Denmark and other European countries.

Respondent FS2;

So between 1994 and 1998 a team from the bank mainly from staff relations and a team from IBOA …… would have sat down over that four year period and talked through what was the best model that they should try and attain. They would have attended a lot of conferences in Scandinavia and Denmark and the Partnership approach would have been the best approach. So 1998 they formalised the Partnership principles.

Significantly the progression to Partnership had been in train before the commitment by the Social Partners in Partnership 2000 to extend the principles of national social Partnership to enterprise level. The decision was a mutually agreed response to the 1992 dispute and reflected a genuine and sincere ambition by both sides to find a new approach to managing their relationship in the interest of avoiding future conflicts seen as detrimental to the Banks competitiveness, ‘they took quite a mature decision and said purely from both sides perspective this is not going to work’. The model while having a different inspiration does have much in common with definitions of Partnership reflected in Partnership 2000.

Respondent FS2;

I suppose in terms of definitions from Partnership 2000 and our own definitions they are very similar …… in terms of definitions we are very closely aligned at a national level with what the Government is trying to do with Partnerships in the health service and things like that………… it is there for these companies as well even though we started slightly earlier but other companies are not public bodies and different models but its very interesting to learn from the different models. In summary yes we did take on board in 1998 we had lots of principles, we had our own definitions that was kind of which came about through discussions between both sides and represent our own feelings about what Partnership is. But it is very closely aligned.

The IBOA recognised the necessity to commit to the success of the enterprise.
Respondent FS2;

It was a strong commitment from the union to say that even though we are going to have difficulties and problems in the future we are ultimately we are committed to our staff and to making FS2 a more prosperous and independent organisation.

The Bank equally committed to the principles in terms of communications to staff setting out of their position in information literature and clarification of it’s intention to set up a national steering committee.

Respondent FS2;

Yes we have, back in 2000 we sent a communication to all staff members and what it would have said well here is what Partnership is, here is the history of where we are coming from, here is the benefits that we see and set out a program of events that we hoped to see within the next three to four years and would have talked about setting up a steering committee at national level that was headed by Peter Cassells.

The definition set out six principles for Partnership. This organisation was unique in having clearly articulated statements and policies defining a mutually agreed set of Partnership principles. These principles are set out below and supported by commentary from the respondent in four of the six cases:

1. **Enhancing the health and prosperity of the enterprise.**
   
   And I suppose quite recently the MD would have said, like he would do these senior management conferences every year and he is on record as saying that Partnership is one of his key competitive advantages

2. **An attempt to maintain secure employment for all staff.**

3. **Core principle of raising levels of trust.**
   
   Involving the unions at an earlier stage in change initiatives and sharing information with them. Building that trust through honouring commitments. ‘Respect is the key to building relationships’

4. **Acknowledging the union’s role.**
   
   I suppose what we had to show that obviously the IBOA represents 70% of staff like they do have a huge influence on change initiatives and even on day to day operations so its important to recognise them and actually use them in a positive nature as opposed to having this adversarial approach.

5. **Developing a Partnership culture to agree adaptability, flexibility and innovation.**


Creating a structure which generates true Partnership where issues would be dealt with as quickly as possible without the need for third party intervention.

In March 2003 there would have been a three year agreement signed up and some of the things that the bank would have committed to back then is that we would have implemented new grievance and discipline procedures by 2004 that we would have looked at like the IBOA would have a lot of issues with the bank in terms of managerial pay, gain sharing and a lot of feedback that was coming back from the steering committee was that it did not appear that the bank were looking into these. I suppose that they were three issues that had to be looked because they were being put on the long finger.

The commitment by the Bank to supporting the practice of Partnership was reflected in 2004 when 1,000 members of staff including branch managers and branch reps would have participated in a one day training programme covering the Partnership concept, the benefits, relevant case studies exploring Partnership in action in their branches and structures for regular communication.

The Partnership process was viewed as being a separate process to the normal representational and negotiations channels insofar as it was described as giving an extra or important gear.

Respondent FS2;

We have our main sponsor who is the managing director and they have Larry Broderick the general secretary, so I suppose it is a different forum for them as it gives them a good opportunity to talk about national issues and to look at from the MD’s perspective he can share with them where the banks go and what support he needs from them particularly during difficult times. So if we look back to last year when the .... would have broke, it was kind of coincidental that the steering committee were meeting around the same time and it was a good opportunity for the MD to explain what had happened and from Larry’s perspective he could go back to his members and say I have had a good discussion with the MD and here is what is happening, I think the bank are fully committed to sorting this out, it was a genuine mistake and here is what they are doing to try and change it.

The benefits were also identified as being manifest at local level in that the elevation of branch reps in the communications process ‘the local representative has greater voice, issues are discussed openly on a monthly basis’ at branch level and increased dialogue with branch managers has resulted in more effective resolution of staff issues at the lowest possible level and fewer problems requiring the formal intervention of the HR dept.
Respondent FS2;

We have definitely seen that not as many issues are coming up from the local level. Like they would have to have a domestic meeting each month where they would discuss a lot of issues coming from a local level and the agenda on that could have been thirty or forty items every month and a lot of them would never move off the agenda so we have seen that agenda shrink down to fifteen issues a month which does show that the structures have helped.

The Partnership process was viewed as an important source of competitive advantage and recognised as such by the Chief Executive who has actively promoted the concept, 'he is on record as saying that Partnership is one of his key competitive advantages'. The Chief Executive who is viewed as a vital ingredient in promoting the Partnership process is regarded as seeing engagement with Partnership as essential to the facilitation of the change process.

Respondent FS2;

I suppose that shows the commitment that he sees in it. He can actually see the benefit that is actually going to be derived from it. He sees it at national level and trying to instil that in his managers and senior managers to say well this is going to give you not more control, but more flexibility at a local level, it will actually help you to run your business better, it will give you more avenues to talk to your staff which is obviously a key business objective as well. So as you said its great to have a sponsor like that who is actually committed to it, and who will stand up at conferences and who will actually be quite honest about it, we have our good days and our bad days but from a personal perspective its key for the business to maintain the relationship so I suppose we are quite fortunate that we have such a strong sponsor.

Partnership was seen as being essential to the acceptance of change initiatives and ultimately became accepted by the general management group as such.

Respondent FS2;

It’s a key success factor having a sponsor and then having a sponsor at a general manager level and so he would obviously instil that in that group and I suppose they have seen as well the success that has come about in if you don’t do it in a Partnership fashion that it can slow down some of the change processes and its really important just to engage.

Partnership was ultimately viewed as being essential to the success of the business and the development of a positive relationship being necessary to the achievement of the business objectives, Partnership becomes an important aspect of business strategy.

Respondent FS2;

There is many different ways that you can achieve that through having strong products, good staff but I think what we have done is looked at in terms of relationship, that there is a benefit
to be derived through relationship if you do things in a mature and professional manner with
the IBOA you can actually achieve a lot of results, if we don't do them in a professional
manner the IBOA could actually slow down the process that we have for introducing change,
or we could go the other road where we just take the approach where we see here is the
change we are doing it whether you like it or not which isn't where we want to go we are
trying to build on the relationship rather than go back to where we were.

4.6.3 Organisation MM1A

The managing director who had joined the organisation less than four years
previously described the organisation as he came to it for the first time.

It was run in a very hierarchical mode and it was run that way for 26/27 years at that point in
time and it was part of the frozen structure of the operation that was how it was managed. The
managing director who was before me was brought up on that kind of command and control
system and the organisational structure around it was very much based on management and
control ...... Ultimately what actually happened was that there was three power centres in the
operation and those three power centres, the way the place worked was that they conflicted
with one another and they conflicted with each other in the most unbelievable way. So that the
operation could not have survived in any other way other than command and control.

The command and control management style had stifled initiative and creativity

Respondent MM1A;

People had got to the stage when they no longer tried they would just do as they were told and
frankly that was it, very little creative thinking. Now despite that it was successful operation
and got the requirements and got the additional investment etc but I would have to say that in
terms of compliance with the kind of modern world class manufacturing we were misplaced
and in the dark ages.

In the very beginning there was tremendous enthusiasm on all sides but then as the
fundamental errors were made that trust broke down and of course there was a ready willing
unionised climate at the time to facilitate people all going their own way, which they did and
then when the command and control just reiterated and reinforced that. Now things improved
in the 90s.

Conflict was avoided or resolved through buying off the parties concerned to
minimise the effects of any perceived grievance. Activities outside the norm or
departure from normal practice became bargaining opportunities.

Respondent MM1;

Deals were done, that for instance if there was any contract work going on at the plant then all
the maintenance people had to be offered overtime, if they couldn’t take that overtime they
were allowed to do it at another time. There were payments made for the most unreal things.
Incredible.
It was only when I arrived that I realised the total and complete lack of trust. You could not speak to anybody or anything without an immediate investigation afterwards about what was the hidden agenda.

4.7 CONCLUSION

Themes which emerged from the in-depth interview data will be considered in Chapter 5 which draws together the principal derived meaning and interpretations from the data. The findings reflect a considerable degree of conformance to the seminal work of Oxenbridge and Brown (2002) and Roche and Turner (1998) in identifying influences which make partnership a possibility. Variations on the findings from both these studies are evident in the data. A number of significant new findings are also identified, some of which are featured in the following list:

- Engagement is most likely when an organisation arrives at a cross roads in it’s existence and where a number of influences conspire to make the Partnership choice a compelling option. No single influence will have a predictive impact but more likely a combination of influences will have a decisive effect. This is considered a variation on the work of Oxenbridge and Brown (2002) and Roche and Turner (1998).

- The predominance of the key influencer effect is considered to be a new insight in determining the acceptance or rejection of partnership

- None of the sample organisations reflected an organic evolution of the employment relationship into a Partnership model.

- Little evidence of any momentum from in house shop stewards for a Partnership agreement.

- A committed HRM culture was seen as both a substitution for Partnership and as vindication of an organisations choice in refuting the Partnership option.

- Issues of power, influence and control underpin the choice of Partnership.

- A concern regarding the right to manage as an impediment to Partnership was a conspicuous theme and which was not exclusive to the multinational organisations.

- A visible country of origin effect was evident in the multinationals choice to reject Partnership but is identified as an influence which is not absolute in determining the partnership choice.
Chapter 5
CHAPTER 5
CONCLUSION

5.0 PARTNERSHIP ORGANISATIONS

The adoption of Partnership as an industrial relations model is considered to be dependant on a highly contextualised set of organisational influences. It is difficult to make assertions regarding the likelihood of any of the factors being absolute, reliable and certain predictors. The predominance of any single influence in determining the possibility of Partnership is highly unlikely. It is only possible to identify factors which in combination are likely to be more compelling influences.

If for example we consider the two banks who share precisely the same industrial relations history and common experience of the four major strikes, they share the same union density levels and the same trade union but ultimately choose different employee relations strategies in the aftermath of the 1992 bank strike. The key policy influencers appear to be the major factor in determining the choice. One sees Partnership as a ‘source of competitive advantage’ while the other sees the Partnership concept ‘as not acknowledging the fact that it’s a competitive market out there’. The same set of factors which make Partnership a possibility are shared by these organisations but ultimately are overridden by policy choices shaped by key influencers.

Equally significant is the finding of two manufacturing plants belonging to the same corporate multinational parent, one which has a Partnership arrangement and one which does not. A number of notable differences between the individual plants are apparent, the absence of a critical incident effect in MM1B and the absence of an adversarial history of industrial relations (possibly due to a time effect insofar as this plant started in 1992 and was spared the industrial relations experience of the comparator in the 1970s and 1980s). A number of similarities, however, are also evident, high union density and a common overture from the trade union movement to consider Partnership are shared by both plants.
The question of contextuality is reinforced by the fact that other manufacturing plants in the Irish group which are relatively new have neither Partnership or trade unions.

It could be argued that conspicuous differences are a function of the age of the different plants in the group as opposed to their history. MM1A, which has Partnership is the oldest plant and also the worst industrial relations history, was opened in the 1970s and reflects the climate of that time. MM1B, opened in 1992 does not share the history of Industrial Relations turmoil experienced by MM1A and is a product of a different decade when a spirit of détente was emerging in Irish industrial relations. The latest manufacturing plant opened within the last five years is non-union and to date appears to enjoy a positive employee relations experience. In the light of these influences the probability of Partnership emerging in new enterprises is highly unlikely given that some of the most persuasive influences seem to be where an unfortunate industrial relations history conspires with some form of crisis which threatens the life of the organisation. This assertion, however, must be qualified by the consideration of the fact that the IM organisation did not have a history of adversarial industrial relations.

What is certain is that there must be an interplay between a number of factors listed below for Partnership to happen.

- A critical incident
- High union density
- An adversarial history of industrial relations (likely to have included the two decades of industrial strife in the 1970/80s, In this context the age of the business becomes a factor)
- The emergence of a key influencer

These factors are outlined in a table of comparison (Appendix 1)

The most persuasive of these factors would appear to be the emergence of a key influencer most likely to be a new senior manager or the most senior manager who believes that Partnership confers a strategic advantage or that it provides a key to
unlocking an intractable problem within the organisation. There are conspicuous similarities between the position of MM1A and FS2 in this regard.

An unexpected finding was the fact that the initiative for Partnership had come from the internal trade union structure in only one of the sample organisations. While National Social Partnership is endorsed by ICTU the enthusiasm does not appear to have trickled down to local levels possibly because internal workplace union structures and shops stewards feel displaced by the national process and do not have control over the crucial issue of wage bargaining. Another possible conclusion is that local shop stewards may consider that participation in Partnership forums are a compromise to their traditional role in agitating for employee rights and better working conditions.

5.1 NON-PARTNERSHIP ORGANISATIONS

The question of contextuality is equally true of organisations choosing not to operate Partnership but there probably is a greater degree of predictability insofar as it would appear that organisations will not elect to engage in the practice if there is no compelling reason why they should. The desire to retain power and control seems to be a common theme in organisations who have declined to engage in the Partnership option with their trade unions.

The dilemma is ultimately about the ability to maintain an organisation that is essentially Unitarist in perspective but has a workforce which is unionised and Pluralist in consciousness. Organisations which have retained the right to manage in this context appear to have done so through an affirmative employee culture informed by an actively demonstrated HRM commitment.

A dilemma also exist for trade unions wanting to be strategic partners but at the same time opposing initiatives such as performance related pay which has become a well established and essential component of best practice HRM. The primary data also identifies an issue of role conflict, where in participating on a Partnership basis in the construct of a voluntary redundancy package with the organisation, the trade union then finds itself representing cases where their own members entered into dispute with
the employer over entitlement to selection. This was perceived as not only acting in bad faith but also to underline an inherent fundamental conflict within Partnership thinking.

Organisations who had not chosen the Partnership route appeared to be constrained by issues of principle and ideology rather than pragmatic or operational concerns about Partnership such as those reported by Johnstone et al (2004:3). Findings in this study had identified managers in Partnership enterprises raising practical difficulties such as slower decision making, union representatives criticising change initiatives but not offering alternative ideas, issues discussed by the Partnership council lacking a business focus. Oxenbridge and Brown (2002:266) had reported some ‘evidence of unions slowing or restricting change’ in Partnership forums.

The sample organisations who rejected Partnership as an option appeared to perceive it in terms of Jacks, Pullinger and O’Reilly (2000:14) employer’s view of ‘another union Trojan Horse’ with the potential to expand trade union voice and create a participatory role for Branch Officials in internal company decision making through the in-house Partnership forum.

As in organisations embracing Partnership there is no single compelling influence which determines the decision to reject the Partnership model. FS1 shares the same industrial relations history, similar union density levels, its employees are represented by the same union as FS2 yet it has chosen not to pursue Partnership. MM1B belongs to the same multinational parent as MM1A but it also elects not to consider the Partnership model. Again the question of unique contextual influences applies in informing this choice for organisations. The influences which inform the decision to reject Partnership are, however, conspicuously different, the primary influences are set out below.

- Country of origin effect
- The primacy of the right to manage
- The depth of HRM practice in operation
- The desire to maintain active communication with employees
- Key influencer effect
These factors are set out in a table of comparison (Appendix 2).

MM1B and MM2 are conspicuously multinational and both belong to powerful US corporate parents. This factor was expressly stated as representing 75% of the influence not to choose Partnership in the MM1B organisation. The influence of this factor was inferred rather than stated in the MM2 organisation but the author, however, considers its importance as being substantial. FS1 being an indigenous multinational does not have a country of origin effect insofar as it does not bring industrial/employee relations practices from another jurisdiction. Given the level of non union recognition practice in operation particularly in US multinationals the author believes this to be a powerful influence but nevertheless is still capable of being overridden by unique contextual influences such as those at play in the history of MM1A.

While all of the respondents in companies rejecting Partnership were singular apologists for HRM practice and values and reflected a position that Partnership was not necessary because of an affirmative employee relations culture the author’s conclusion is that the ambition of these organisation would be to operate within a Unitarist culture where the necessity for a union presence becomes superfluous and their role becomes diminished. The importance of HRM as an organisation value was a conspicuous narrative in all these organisations and was supported by proactive employee communication strategies.

There is no doubting the influence of US multinationals in bringing highly developed Unitarist focussed HRM principles to local management practice in Ireland. What is equally significant is how HRM practice has permeated not only the organisation culture but also day-to-day management activity where assimilation of corporate HRM values becomes an imperative for line managers.

HRM and Partnership while sharing many of the same values and principles ironically become competing ideologies in the private sector. Power, control and the right to manage become the point of departure where these two ideologies separate.
The key influencer effect was similarly evident in informing the choice not to engage. In the case of FS1 this effect was more immediate insofar as the respondent who was the senior industrial relations executive openly expressed views which were hostile to the Partnership ideal and inevitably the respondent in his capacity was a key informant of industrial relations policy. The respondent in the MM2 organisation was less vocal in expressing a view but the interviewer was left in no doubt as to who was running the company and who would make policy decisions. The conclusion is, however, that the primary key influencer was likely to be the senior corporate HR executive in the US. A US key influencer effect was openly declared by the MM1B respondent.

Industrial relations history and union density are not compelling influences in their own right but where aligned with competitive challenge and supported by a key influencer effect they become important factors.

5.2 THE FUTURE OF PARTNERSHIP

Edwards (2003:1) in assessing the future direction of Industrial Relations in the UK believes that ‘much of the hope for the establishment of this new scenario is pinned on the implementation of the European Union’s Employee Consultation Directive to be introduced in March 2005’.

The Partnership process will receive a potentially added impetus in the Information and Consultation Directive 2002 which has become known as the National Works Council Directive and will create another imperative for change. For many non union organisations this may be viewed as a threat in terms of the potential union recognition claims for collective voice, or an opportunity to incorporate employees into the decision making processes of an organisation (Dundon, 2004).

Alternately it may offer no favours to the spirit of Partnership where organisations may choose to pursue an avoidance strategy as in the case of some multinationals in relation to the German works council requirement who engage in a minimalist way
that is not in keeping with the spirit of the directive or possibly set up their own structures parallel to the in-house union structures.

Guest (1990:390) used the phrase ‘talking up innovations’ in counselling that ‘it is easy to become beguiled by the practices of a number of leading edge companies, by statements of intent and by experimentation into believing that such innovation is actually widespread. In this context Guest had been referring to the proliferation of HRM as a business norm in the US.

This assertion could equally apply to Enterprise Level Partnership as the new norm or new best practice for the conduct of the employer/employee relationship. The statistical evidence from two major surveys would refute this position supported by the primary research where significant reservation, reticence and indeed hostility in some cases stills exists in the hearts and minds of employers.

It is certain that a number of organisations have had positive experiences with the Partnership model as evidenced by the range of case studies illustrated on the National Centre for Partnership and Performance (NCPP) website. The identification of cases where there has been a positive experience is naturally an important strategy for NCPP to illustrate and promote the Partnership principle. Guest (1990) had referred to the importance of such cases in establishing the legend of HRM, ‘legends can serve as models of what is possible’. Partnership as identified by Ackers as a value-driven rather than an interest driven approach to the Pluralist question. Similar to HRM it must be promoted through what Guest (1990: 390) refers to as myth and legend. ‘ HRM, like all other value driven approaches, is encased in myths and legends. The legends are the case studies, the well known cases that illustrate great deeds in the past’.

Partnership’s legends provide certainty that the model suits some organisation contexts. It is ultimately more difficult to assert that it will suit all contexts or indeed that it is the only or exclusively the most effective model for conducting the employer/employee relationship.
Enterprise Level Partnership and HRM are models for the conduct of the employer relationship, they are clearly not the only approaches to this issue there are clearly organisations who embrace neither strategy and who still live in a milieu of old world adversarialism to Pluralist ambitions.

What is clear is that they employ very similar principles to secure employee engagement Partnership employs the ideology of pluralism albeit as viewed from a values rather than interests perspective. HRM is unashamedly Unitarist in its ideology and likewise employs the language of values in its rhetoric to secure a common meeting of minds. Their point of separation becomes the involvement of third party representatives and the perceived threat to the exercise of power as posed by the formal involvement of trade unions or indeed through the increase in trade union voice created by entering a formal and explicit Partnership agreement.

What is important for organisations is that there should be a clear and coherent strategy for managing employee relations in the 21st century, one which engages the abilities and contribution of the total workforce in an increasingly competitive business environment. A model which provides for the enhancement of the quality of working life and the opportunity for the personal growth of the employee.

HRM has legitimised the exercise of power and the attempt to capture the hearts and minds of employees through a plausible rhetoric which presently would appear to be more persuasive than the rhetoric of Partnership. The persuasiveness of HRM rhetoric within a buoyant economy where the metaphor of the rising tide lifting all boats appears certain. The possibility exists, however, that in times of retrenchment and job cuts that Pluralist interests might prevail over Unitarist values which could potentially be jettisoned in the face of economic threat and could well be the undoing of both successful Partnership initiatives and effective HRM based organisation cultures which are operating in parallel to conventional industrial relations processes.

The failure of Partnership to become embedded at enterprise level could be partly attributed to the very success of the economy wherein the role and influence of trade unions at local level has been diminishing. Adversity had been the key influence which had made National Partnership a necessity in 1987 and appears to have been
an equally important influence in sample organisations who had Partnership agreements.

Partnership ultimately has no prescriptive model or template, nor is there a definitive set of circumstances where it is likely to emerge. The emergence of Partnership and the shape it takes within an organisation is a function of a highly contextualised set of circumstances, it is a product of the age, history, personalities, relationships within and challenges faced by an organisation at a particular point in time.

Partnership as a concept, powerfully advocated by the trade union movement, nominally supported at enterprise level by IBEC, formally agreed in the national Social Partnership agreements, promoted by Government through a substantially resourced and high profile advocacy body, NCPP, has not happened. Organisations have not taken a lead from Government’s commitment to the tri-partite National Social Partnership model in creating a new industrial relations orthodoxy. The Partnership concept has fared less well within the UK’s neo-liberal economic order where it would seem there is even less imperative to embrace the concept.

Enterprise level Partnership is not a model of choice for organisation It has direct parallels to the inception of National Social Partnership born out of an economic crises where the normal rules of engagement for the various political influence groupings in Irish society were suspended, the trade unions modify wage demands for rates of settlement well below inflation, Government economic policy to deal with an economic catastrophe is supported by the main political party in opposition through the Tallaght strategy proposed by Alan Dukes then leader of Fine Gael.

The research findings suggest an equivalent dynamic at play at local enterprise level where organisations have adopted the model not out of conscious choice or evolving employee relations policy but because of a pragmatic necessity, absence of strategic alternative and crisis which threatens the continuity and existence of the enterprise. The influences have been identified as the most potent influencers in the choice to engage with Partnership as an employee relations model.
Will *Partnership* survive in an economic downturn where the acute cost cutting measures and retrenchment measures not witnessed during the celtic tiger and the feel-good factor of high growth rate, low taxation, low interests and access to apparently unlimited borrowing capability, continuity and relative certainty of employment.

*Partnership* as configured in the Irish context where the roots and origins are inextricably linked with centralised pay bargaining and the broader tri-partite process may be its undoing.

The association in the minds of employers of *Partnership* potentially increasing union voice through a more formalised relationship or consolidating an existing role may well be an impediment to its more enthusiastic acceptance by organisations as an employee relations model confined to the direct communication between employer and employees.

Turlough O’Sullivan (2006:16) writing on the possibility of another *Partnership* agreement states ‘if we can broker a deal with trade unions that will enable Irish business to compete successfully and secure jobs in our economy, then it will be worth the effort. If not the whole exercise is futile. *Partnership* is not an end in itself’.

### 5.3 Recommendations for future research

The author purposively chose large and medium sized organisations who it was believed could articulate considered and well informed choices their organisation had made in respect of the employee relations model. Small businesses were ruled out on the basis that they were most possibly owner managed by entrepreneurs whose professionalism was most likely to be in business rather than in employee relations. The NCPP survey published in 2004 would suggest that it is in this very area, however, that *Partnership* is least likely to be a model ‘Explicitly stated *Partnership* arrangements (formal and informal) are more strongly associated with larger firms’. Another unintended effect of the sampling choice was that all of the organisations while experiencing competitive pressures appeared successful insofar as they were not
facing trading or financial difficulties. Employee relations tensions were less evident than may have been the case in different market conditions. Questions for further consideration may be in considering the potential for *Partnership* in relation to small to medium sized enterprises who may or may not have a culture informed by either *Partnership* principles or Human Resource Management Practice.

The potential also exists for more focussed analysis of the key influencer effect where Chief Executives and senior HR Executives are proactive in choosing and promoting *Partnership* as a strategy for competitive advantage.

In the review of the literature the author has elected not to consider the continuing and evolving European debate on Industrial Relations as it was felt that this discussion could not be accommodated within the scope of this particular research. Europe without doubt has profoundly influenced the direction of employment practice and standard of work conditions in Ireland but the impact on Corporate Governance and the conduct of Industrial Relations has not been felt to the same degree. The impact of Europe on the continuing evolution of the *Partnership* concept may well be a topic of future research.
### Appendix 1

**Factors Influencing Organisations Who Engaged With The Partnership Model**

<table>
<thead>
<tr>
<th>Critical incident</th>
<th>Key Influencer</th>
<th>Source of initiative</th>
<th>New personnel or senior management</th>
<th>High Union density</th>
<th>Organic development of positive industrial relations history</th>
<th>History of adversarialism</th>
</tr>
</thead>
<tbody>
<tr>
<td>MM1A</td>
<td>Yes</td>
<td>CEO following unsolicited approach from a non-involved trade union official</td>
<td>Non - involved trade union official</td>
<td>Yes</td>
<td>High - Every employee with the exception of some managers</td>
<td>No</td>
</tr>
<tr>
<td></td>
<td></td>
<td>MM1 A competition</td>
<td></td>
<td></td>
<td>Organic development of positive industrial relations history</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>History of adversarialism</td>
</tr>
<tr>
<td></td>
<td>Yes</td>
<td>CEO following</td>
<td>New CEO attempts to resolve long standing intractable problems and `finds' partnership solution</td>
<td>Yes</td>
<td></td>
<td>22 strikes in one year</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Senior management</td>
<td>New CEO promotes model as a source of competitive advantage</td>
<td>Yes</td>
<td></td>
<td>lengthy strikes lasting many months</td>
</tr>
<tr>
<td></td>
<td>Yes</td>
<td>policy makers seeking a new employee relations model</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Yes</td>
<td>CEO introduces world class manufacturing. Major changes in work practice secured IBEC/ICTU subsequently cite company as partnership exemplar</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Yes</td>
<td>CEO</td>
<td>New CEO attempts to rescue company on the verge of collapse. Delivers ISO 9000 and World Class manufacturing. The success becomes hijacked by IBEC and ICTU who are looking for a good news story which can be defined as partnership</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Yes</td>
<td>CEO</td>
<td>All weekly paid are members of SIPTU, some monthly paid but union does not negotiate on their behalf</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Yes</td>
<td>CEO</td>
<td><code>No, not bad, typical of the time</code></td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Appendix 2

**Key Influences where organisations have chosen not to engage with Partnership**

<table>
<thead>
<tr>
<th>Country of origin effect</th>
<th>The right to manage</th>
<th>High commitment to HRM values</th>
<th>Commitment to employee communications</th>
<th>History of adversarialism</th>
<th>High Union density</th>
<th>Key influencer</th>
</tr>
</thead>
<tbody>
<tr>
<td>FS1</td>
<td>No Indigenous Irish company</td>
<td>Yes</td>
<td>No power sharing with employees who want power without responsibility. Perceived as hostile to competitiveness</td>
<td>Yes</td>
<td>Strong commitment to HRM stated</td>
<td>Yes</td>
</tr>
<tr>
<td>MM1B</td>
<td>Yes US multinational presence in Ireland 30 yrs approx 75% of reason not to engage with partnership attributed to this effect by respondent</td>
<td>Yes</td>
<td>US multinationals insistence on the right to manage alluded to but strong emphasis on 'managing correctly' and not misusing the right</td>
<td>Yes</td>
<td>Corporate initiative to actively develop toward soft HRM model</td>
<td>Yes</td>
</tr>
<tr>
<td>MM2</td>
<td>Yes US multinational presence in Ireland 30 yrs approx. Inferred but not stated by reticent CEO</td>
<td>Yes</td>
<td>Emphatically underlined by CEO</td>
<td>Yes</td>
<td>Strong commitment to HRM practice evident</td>
<td>Yes</td>
</tr>
</tbody>
</table>
Appendices
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227


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