

Learning to Navigate Enterprise Bargaining:

The NTEU and Employment Relations in the
Higher Education Sector, 1993-2005

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Declaration

I declare that the work contained in this thesis is the result of original research and has not been submitted for a higher degree at any other university institution.

Signed:

Date:

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*"It is not the strongest of the species that survives,
nor the most intelligent that survives.
It is the one that is the most adaptable to change."*

— Charles Darwin

ABSTRACT

Formed at the crossroads of the Dawkins revolution in higher education and the decentralisation of the Australian industrial relations framework to make way for enterprise bargaining, the NTEU has from its outset had to adapt to change. How did the NTEU learn to respond to the challenges of enterprise bargaining and to negotiate subsequent rounds? This thesis contributes to the current trade union renewal literature by offering a novel approach to the study of trade unions. The key question driving this research is “how do trade unions learn?” This thesis offers a research framework that combines traditional approaches to the study of trade unions with the observations of research in the field of knowledge management as well as enlisting social network theory to study the learning process in the NTEU. The archived minutes and memos of the NTEU’s national office from the period of 1993 to 2005 have been used firstly to conduct a qualitative analysis of the decision-making process. In chapter ten, this data is revisited to conduct a network analysis of the individuals and groups engaged in the decision making process over the same period to study how the NTEU’s structures may have impacted on the learning process.

This thesis has been guided by the principle that all skills and talents are learned and that learning is a process that is inherently collective and driven by the task at hand. Therefore all decisions documented in the NTEU’s archives have been treated as artefacts of the learning process that created them. The task of this thesis has been to track the origins and the individuals and groups involved in decision making in the NTEU with regard to enterprise bargaining strategy and the context in which they were operating.

Using this approach has enabled an analysis of what conditions are most conducive to building leadership capacity in the union. It has also built an approach to understanding why some communication strategies have been effective whilst others have not. Mapping the decision making process over time for four rounds of enterprise bargaining in higher

education has also shown how learning is cumulative as lessons learned are folded into a collective understanding which guided the NTEU's approach to the next problem. A further major finding relates to the process of innovation. The process of adapting to the changing external environment was often accompanied by clashes of opinion and battles for influence as new ideas confronted the collective learning of the past. Finally, the site of innovation can be found at any level of the organisation. In the case of the NTEU, it was often from the periphery of the union, the branches, where the full impact of the changes in the external environment was being felt and where new ideas were being developed to address them.

Chapter One

Introduction

The introduction of enterprise bargaining in the early 1990s was a major shift for Australian industrial relations requiring all industries to make the transition from industry-wide determination of wages and conditions to a new enterprise based system. In promoting the decision, the Commonwealth Government acknowledged that the shift required “a whole new management and workplace culture” [National Wage Case, 16 April 1991]. The Australian Industrial Relations Commission in the National Wage Case Decision of 16 April 1991 openly expressed doubt that this culture had yet come into being maintaining that the “parties to industrial relations have still to develop the maturity necessary for the further shift to enterprise bargaining” (Dabscheck 1995: 70-71).

The task of adapting to a new employment relations framework was particularly onerous for higher education as the introduction of enterprise bargaining was the first major sector-wide regulation of university employment. General staff at this time were covered by a patchwork of different state-based awards across the country whilst the employment contract for academic staff was primarily via informal, institution-based arrangements. The difficulty of implementing enterprise bargaining was compounded by fundamental changes to the political economy of higher education as the sector ceased to operate as a national body and individual universities were increasingly encouraged to operate as semi-autonomous enterprises and were opened up to local and global market forces.

At the centre of all of these changes has been the National Tertiary Education Industry Union (NTEU), the organization representing the majority of the sector’s employees. The NTEU was established in 1993 via the amalgamation of a range of general staff unions and institution based academic associations across the sector. The formation of the NTEU was driven by the need for a national organization to address the employment relations reforms in higher education and has been the dominant union in enterprise bargaining negotiations. Focusing on various decision making committees at the national level of the NTEU this thesis

asks the question: how did the NTEU learn to adapt to the introduction of enterprise bargaining and to negotiate subsequent rounds?

To answer this question, this thesis aims to plot the points along a steep learning curve as the newly formed NTEU quickly developed new skills and capabilities to adapt to the introduction of enterprise bargaining and to cope with subsequent rounds. It is hoped that analysing the fortunes of one union operating in a hostile and turbulent period will enable a closer examination of some important themes in recent trade union research, issues of renewal, resilience and adaptation. Perhaps it is helpful to point out what this thesis is *not* about. There has been considerable research and commentary on the impact changes to higher education have had on issues such as teaching and learning, student demographics, staff morale and research performance. This thesis only touches on these issues where they are directly related to the employment relationship. This thesis also does not attempt to prescribe what the most effective management of employees in the higher education sector might be. This thesis aims to build an understanding of how union organisations learn.

Enterprise bargaining was first introduced to higher education in 1994 as a result of the National Wage Case decision of 30 October 1991. The first bargaining round was short and uncontroversial with all parties to the contract attempting to maintain as much of the status quo as possible whilst meeting the bare minimum required by the legislation. Looking back at the development of enterprise bargaining in higher education the turbulence, pace and foundational nature of the change in employment relations in the sector appear remarkable. Higher education has undergone a series of rounds of enterprise bargaining and endured successive waves of intervention from the federal government culminating in the Liberal Government's unyielding pursuit of the Higher Education Workplace Relations Requirements (HEWRRs) in 2003. Employment relations in the tertiary education sector under the Liberal government was characterized by protracted disputes, media wars, industrial action, Senate inquiries and legal challenges. After years of calm, higher education under the Coalition government, the period from 1996 to 2007, became one of the most turbulent and industrially active sectors in Australia. Meanwhile, the deregulation of the sector has also had dramatic effects on the nature of academic and professional staff work, university management structures and in turn on university managements' approach

to employment relations on the campuses. The impact of these changes on the NTEU was to force it to adapt to an increasingly contested and volatile environment.

A challenge for this research has been to locate an appropriate theoretical model to analyse the learning process in the NTEU. Few accounts of industrial relations strategy have drawn on strategic management literature concerned with dynamic capabilities and knowledge management. For researchers in the field of strategic management, studying the dynamic capabilities of a firm is about understanding how and why some firms are capable of building competitive advantage in times of rapid change. In the knowledge or resource based view of the firm, effective knowledge management, or managing the creation and dissemination of new knowledge, has been identified as critical for an organization's ability to adapt to change enabling a firm to more readily develop skills and capabilities in the face of new threats and to grasp new opportunities. Whilst generating new ideas to increase profitability was obviously not the key concern for the NTEU, external forces nonetheless created the imperative to quickly learn and disseminate ideas to adapt to change.

This thesis offers a novel approach to studying the trade union movement. Firstly, there have been very few studies of how enterprise bargaining is conducted and particularly in the context of a well unionized white collar public sector. Secondly, there is the originality of the theoretical approach which contributes to the current trade union renewal literature by combining traditional approaches to the study of trade unions with the observations of research in the field of knowledge management to analyse the way in which knowledge is shared and built and how new ideas are generated within an organization. Using this framework this thesis has accessed codified knowledge data sets including the archived minutes, memos and reports devoted to enterprise bargaining strategy in the NTEU during the period 1993 to 2005 to study the learning process in the NTEU. This thesis has also enlisted social network theory to allow an analysis of the same data from a different perspective. The attendance lists from the meetings and forums related to enterprise bargaining have been used to generate a visual representation of the individuals, groups and networks in the NTEU who were involved in learning to navigate enterprise bargaining. The period 1993 to 2005 covers the emergence of the NTEU and its subsequent engagement in four rounds of enterprise bargaining across the higher education sector. The conclusion

of round four of enterprise bargaining in 2005 was the most recent full round of enterprise bargaining at the time that research for this thesis began. Round four of enterprise bargaining was also the final round of negotiations before the change of federal government in 2007 which resulted in the introduction of new legislation.

Chapter two of this thesis conducts an analysis of recent literature devoted to trade union renewal to contribute to a framework for understanding the learning process undertaken in the NTEU. Recent trade union literature has been devoted to questions of renewal, resilience and revitalization of union organizations against external pressures such as globalization, individualism and anti-unionism and aggressive employer strategies. This literature is helpful for this study as at its heart it is a discussion about how union organizations build the capacity to respond to external threats and opportunities and, importantly, where researchers believe adaptation and innovation are generated in union organizations. An important theme of this chapter is the issue of trade union democracy and the relationship between leadership and membership participation, issues that separate the study of trade union organizations from other organizational studies and must be added to the research framework to adequately develop an understanding of the NTEU.

Similar to chapter two, chapter three conducts a review of knowledge management literature to analyse what this body of research can contribute to the goal of understanding the learning process in the NTEU. Applying concepts of knowledge management enables important insights into how the NTEU adapted to change and how effective organizations approach training and accumulating and disseminating organizational knowledge. Knowledge management literature may also help to explain the many pitfalls encountered during negotiations. The decentralization of the sector into semi-autonomous enterprises required that individual enterprise agreements be negotiated at every campus throughout Australia, placing a strain on the NTEU's resources and leading to problems of co-ordination. Looking at the progress of the rounds there was considerable variability, with some bargaining rounds at various campuses virtually collapsing and others dragging on for years, bogged down in minutiae or intransigent disagreement. Which groups or organizations coped better than others and why? Were there key individuals or pivotal moments or decisions that helped shape events? What strategies did the NTEU adopt to pursue their

interests? What were the constraints on their efforts? What did the NTEU learn from these experiences?

Chapter four is devoted to combining the conclusions reached in chapters two and three to develop a research framework. Chapter four therefore compares, contrasts and combines the observations of trade union strategy literature and the knowledge management literature to develop a framework for understanding the learning and adaptation process in the NTEU. This chapter finishes therefore with a discussion on the research methodology undertaken in the rest of the thesis. Chapter four discusses how this research framework has guided an approach to the volumes of archival data devoted to enterprise bargaining that was available in the national office of the NTEU.

Before this thesis can begin to discuss the enterprise bargaining process, it has been necessary to first build an understanding of the context in which enterprise bargaining was being pursued in higher education. Chapter five therefore examines the dramatic changes to the political economy of higher education during the period 1993 to 2005. During the period studied higher education experienced a tectonic shift in its political economy from a government funded, centrally co-ordinated system to a corporatized and decentralized system competing in the local and global market for fee paying students and industry investment. Chapter five discusses these changes and their impact on employment relations in the sector.

Chapters six, seven, eight and nine conducts a qualitative analysis of the empirical data covering the formation of the NTEU and rounds one, two, three and four of enterprise bargaining respectively to unlock the learning process undertaken by the NTEU. Then in chapter ten, this thesis returns to the same empirical data to approach it from a different perspective. In chapter ten the archival data is used to conduct a network analysis to investigate the decision making structures for the entire period. This chapter explores how these structures may have impacted on the learning process in the NTEU. In Chapter 11, this thesis concludes by drawing together the qualitative analysis of the learning process undertaken by the NTEU and the network analysis of the individual and groups engaged in

this process to develop a holistic explanation for how the NTEU learned to navigate enterprise bargaining in the sector.

Taken as a whole, this thesis charts the dramatic changes to employment relations in higher education in Australia which is a valuable exercise in itself. However, the primary focus of this research is organizational learning in the NTEU. This thesis analyses the strategic decision making at the national level of the NTEU to develop an understanding of those elements that helped and those elements which hindered its ability to adapt. Combining knowledge management with more traditional approaches to the study of trade union strategy enables this thesis to analyse the learning process in the trade union movement in new ways. How do unions develop the strategic capacity of their union leaders? Where in the organization are innovative ideas most likely to be found? What is the most effective approach to training and disseminating information within a trade union organisation? It is hoped therefore that this thesis will make a valuable contribution to the study of trade union renewal by offering a novel and effective approach to understanding how unions can rebuild their capacity in an increasingly hostile and turbulent environment.

Chapter Two

Trade union strategy

This chapter conducts an analysis of trade union strategy literature with the aim of establishing an appropriate framework for analysing the learning process undertaken by the NTEU during the negotiation of enterprise bargaining rounds in the period 1993 to 2005. Much of the recent trade union strategy literature has been prompted by the impacts of globalization. The pressures that globalization has placed on the business world has had knock on effects for the trade union movement creating a more complex, hostile and turbulent environment that has put union organizations under considerable strain. This situation has inspired discussion and debate among researchers devoted to questions of renewal, resilience and revitalization of union organizations. The resultant literature is particularly helpful for this study as at its heart it is a discussion about how union organizations build the capacity to respond to external threats and opportunities and, importantly, where researchers believe adaptation and innovation is generated in the union organisation.

The analysis of this literature begins by discussing the service, organizing and social movement models of union renewal. This discussion is particularly helpful as it enables a close analysis of the question of union leadership and membership participation from the perspective of where in the union organization proponents of these various models believe innovation, adaptation and learning might occur. The discussion of this literature dissects some of the limitations of these models and moves to explore more dynamic approaches to the question of union strategy. The second half of this chapter therefore offers a series of alternative models to analyse what researchers consider effective union strategy is, and using a very different approach, how and where in the organization they believe it might be generated. A recurring theme throughout this chapter is the issue of trade union democracy and the relationship between leadership and membership participation, issues that separate the study of trade union organizations from other organizational studies and

must be added to the research framework to adequately develop an understanding of the NTEU.

The organizing and service models for trade union renewal

As many researchers have pointed out, much of the debate regarding union renewal and resilience in the current difficult environment can be categorized around two broadly opposing models of union representation: the service model versus the organizing model. The distinctions between these models are significant to this discussion as each model has implications for the role of leaders and members and where in the organization power and decision making reside (Heery and Kelly 1994: 1-2). In the service model, the emphasis is on the leadership working on behalf of a membership, power and decision making therefore tends to be concentrated in the hands of the leadership who generally employ grievance and arbitration processes to act on behalf of membership who are presumed to be passive (Schenk 2003: 245; de Turberville 2004: 776; Fairbrother, Williams et al. 2007: 34). In direct contrast, the organizing model is based on participative union principles where members are seen as the controlling body of the union formulating and pursuing their own interests via collective decision making and professional officers are relegated to facilitators in this process (Heery and Kelly 1994: 4). The two models also tend to define the scope of trade union activity. The service model of unionism is prone to limit the scope of union activity to instrumental and purely industrial issues of wages and conditions and tends to be reactive to management agenda (Schenk 2003: 246). By comparison, the organizing model is proactive and does not limit itself to formal bargaining or negotiation activities and seeks to develop its agendas independent of management (Schenk 2003: 247).

In recent times a third model, social movement unionism, has attempted to break free of the binary position described above. The social movement model takes the principles of participative unionism one step further by encouraging the engagement of not just rank and file members of the union but by reaching out to the wider community and other social movements to influence union direction (Schenk 2003: 248). Social movement unionism also includes new tactics to enhance the impact of union activity such as forming coalitions with consumers (Phelan 2005: 349). Social movement unionism shares many of the

philosophies of the organizing model but emphasizes the development of an alternative ideology which goes beyond the immediate workplace to incorporate the wider community and broader social issues (Schenk 2003: 248).

Returning to the question proposed at the outset of the chapter, the purpose of this chapter is to attempt to locate where researchers believe innovation and learning might be generated in the union organization. In assessing the current literature, two key limitations to the various models discussed above become apparent: firstly, the simple “top down” or “bottom up” dichotomy tends to distort an understanding of the roles of union members and leaders and secondly, by pitting one model against another there is a tendency to override the specific circumstances of individual unions distorting an understanding of the relationship between the internal and external context in which individual unions operate. Each issue will be discussed in turn below.

The role of members and leaders

The first major difficulty with the service, organizing and social movement models is their tendency to be overly prescriptive of the presumed roles of union members and leaders. Those in both the organizing and social movement camps tend to share a desire to limit the power of the trade union leadership and bureaucracy arguing that leaderships are prone to form bureaucracies that become increasingly conservative and insular in their approach. In his seminal contribution to this philosophy, Michels produced the “iron law of oligarchy” which argued that all organizations are predestined to develop an oligarchical leadership that become entrenched over time, skew the direction of the organisation in their own interests and grow increasingly conservative in their goals (Voss and Sherman 2000: 305). It is therefore assumed that only informal organizations, such as the formative stages of social movements, have the flexibility to innovate and to use radical tactics as it is the lack of an entrenched bureaucracy that enable fresh approaches (Voss and Sherman 2000: 306-7). Applied to the union movement it is therefore assumed that established union leaderships are inherently incapable of radical innovation and that the impetus for change will necessarily come from below. For example, Schenk argues that implementing the social movement model requires increasing democratic control by removing any bureaucratic

hurdles to the full expression of rank and file innovations throughout the organization, via: direct election of more key positions and job rotation and short term secondment of activists to build stronger links between life in the workplace and representative structures (Schenk 2003: 252). In this approach, change and innovation is assumed to come from the bottom up (Schenk 2003: 254) and even from outside of the organization, from the ranks of community and activist alliances (Schenk 2003: 252) and the role of union leaders is essentially to step aside and allow the full expression of the non-bureaucratized rank and file. Social movement unionism therefore does not challenge the binary assumptions of the organizing model but in essence merely extends it to include the broader community. The implications for how a union such as the NTEU should adapt to changing conditions are obvious enough.

However, as Heery and Kelly point out the key limiting factor to pure participative unionism of this kind is the membership's inability to effectively defend their own interests without the professional assistance of union officers (Heery and Kelly 1994: 14). Professional officers have accumulated knowledge and experience in bargaining, formulating demands, negotiation, communication and industrial relations law and policy which place them apart from the majority of members (Heery and Kelly 1994: 14). Their autonomy from the workplace also gives them independence from managerial coercion or manipulation and a broader overview of the situation not enjoyed by most union members (Heery and Kelly 1994: 14). Therefore, the weakness of being removed from the "shopfloor" is also the strength of the union officialdom, giving them the distance necessary to strategize.

Empirical research has demonstrated that the relationship between union leaderships and memberships are more complex than the proponents of Michel's "oligarchy" imply. Recent attempts to reinvigorate activism through implementing the organizing or social movement models have largely been driven by top-down initiatives (de Turberville 2004: 780). Voss and Sherman in their research of the union movement in the United States showed rather than being a spontaneous revolt from below as some in the social movement camp might imply, it was union leaders who identified and argued that radical transformation of their union was necessary (2003: 75). They also found that the most significant variable in the successful implementation of the social movement model has been the political experience

and will of the leadership (Voss and Sherman 2003: 59) who were willing to devote significant resources to the project (2003: 65). Further, a significant impediment to change was entrenched cultures and that members and staff contributed to the maintenance of these cultures (Voss and Sherman 2003: 74). Rank and file members were often reluctant to get involved and showed a preference for the service model where the unions solved their problems for them (Voss and Sherman 2003: 59) and many union officers resisted the increase in their workload and a shift in the nature of their work required by the model (Voss and Sherman 2003: 60). Moreover, centralized pressure from labour confederations and the international union leadership were significant factors in developing innovative ideas and encouraging change (Voss and Sherman 2003: 75). This reinforces the claim that, in actual practice, change often comes from “above” or even “outside” of the union.

Observations of the attempted implementation of the US “organizing model” in Britain through the Organising Academy tend to support Voss and Sherman’s position. The Organising Academy initiative has been driven top-down by the highly centralized General Council of the TUC (Heery, Simms et al. 1999: 40; Fairbrother and Stewart 2003: 167). From their analysis of this initiative, Heery et al have coined the term “managed activism” where they observed union leaders adopting essentially management techniques to deliberately cultivate activists and an organizing culture: directing resources towards organizing and recruitment, developing specialist union activists roles and encouraging activists to project manage campaigns with work plans, workplace maps and recruitment and organizing targets (Heery, Simms et al. 2000: 1004). As with Voss and Sherman’s observations, Heery et al’s ongoing investigation of the fortunes of the Organising Academy in Britain shows some resistance to the initiative arising from staff, members and activists unaccustomed to the new approach (Heery, Simms et al. 1999: 51). However, Carter’s analysis of the top-down approach to introducing the *Organising Works* model in the Manufacturing, Science and Finance sector shows evidence that resistance encountered may have resulted from the leadership’s insensitivity to the demands being placed on those being tasked with the implementation of change (Carter 2000: 128; Fairbrother, Williams et al. 2007: 34). This finding points to the complex relationship between union leaders, the bureaucracy and the membership and suggests that this study of the NTEU requires an involved inquiry into the roles these various groups played in innovating and adapting to change. As Hyman points

out, studying trade union practice therefore should not be a study of two separate or opposing camps but of building an understanding of the relationship among bureaucrats, lay officials and the membership (Hyman 1989: 156) and folding in more recent social movement union perspectives perhaps to include individuals outside of the union altogether.

Context

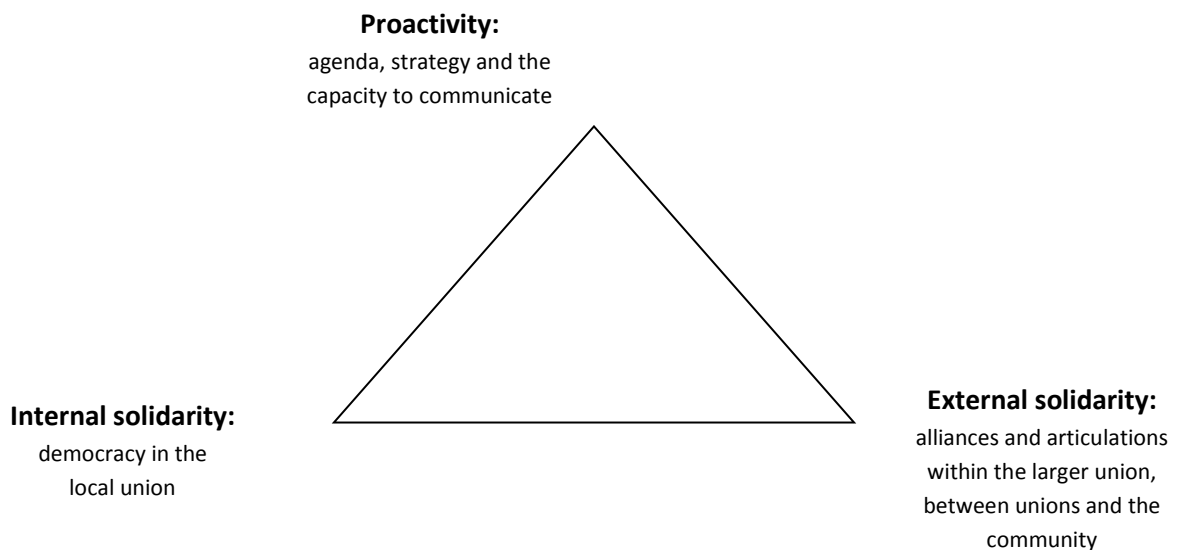
The second limitation to the organizing, service and social movement models is their tendency to assume that “one size fits all” regardless of the context in which the union is operating. De Turberville uses the example of attempting to apply the organizing model with its high risk, adversarial strategy to a low skill, poorly organized service sector company which may result in the persecution of activists and will unlikely contribute to union strength (de Turberville 2004: 785). The object therefore is to create an understanding of the relationship between the internal life of the organization and the demands of the external environment (Fairbrother, Williams et al. 2007: 34). Carter sums it up: “policies are an outcome of histories confronting new circumstances, mediated by complex internal processes” (Carter 2000: 118). Effective union strategy is therefore based on locating “best fit” for the specific context in which the individual union is operating (Pocock 2000: 18; de Turberville 2004: 783).

Dynamic approaches to study union strategy

In recent times researchers have moved beyond the prescriptive recommendations of organizing, service and social movement models to offer more dynamic approaches to the study of trade union strategy. The importance of these more dynamic approaches for this study of the NTEU is that it breaks the framework free from rigid assumptions about members and leaders to allow a focus on the organization as a whole and the networks of relationships both within and without the organization that might enable the NTEU to learn and adapt to change. Levesque and Murray, Pocock and Hyman have developed similar models which illustrate an interactive relationship among the various layers of the union and between the internal life of the union and the external environment. Levesque and Murray’s approach centres around the notion of a trade union’s “power resources”

(Levesque and Murray 2002: 46; Fairbrother, Williams et al. 2007: 35). For Levesque and Murray, a union’s ability to most effectively respond to external pressures rests in its ability to accurately audit its internal resources in the context of these pressures and to identify the most appropriate or relevant resources needed, take steps to develop those resources and then to strategically apply them (Levesque and Murray 2002: 45). They argue that three power resources are critical for union action in a globalised environment and are mutually reinforcing: proactivity, internal solidarity and external solidarity (Levesque and Murray 2002: 39). Levesque and Murray define *proactivity* as the ability of unions to develop and pursue their own agenda (2002: 45). *Internal solidarity* refers to the structure and processes put in place to ensure democratic and collective cohesion among members (Levesque and Murray 2002: 46). *External solidarity* refers to the ability of local unions to build support and to work with their communities to build solidarity with other unions and their ability to effectively influence and coordinate these activities to increase their power (Levesque and Murray 2002: 46).

Levesque and Murray: Power Resources

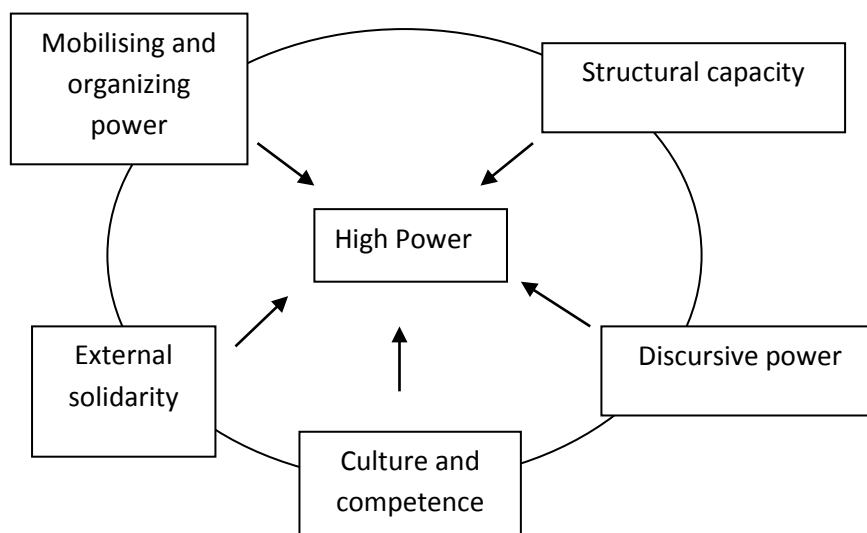


Pocock’s five dimensions of union power builds on Levesque and Murray’s “power resources” model. Pocock has argued that Levesque and Murray’s term “internal solidarity” is too broad a description and could incorporate any combination of: delegate structures,

communications among different levels of the union, representativeness in the workplace and/or membership participation levels (Pocock 2000: 20). She therefore recommends breaking this concept into two separate categories: “structural capacity” and “mobilizing and organizing power” (Pocock 2000: 20). *Structural capacity* refers to membership density, internal cohesion, levels of solidarity and financial strength and *mobilizing and organizing power* refers to the union’s capacity to recruit, campaign and mobilize its membership in pursuit of its goals (Pocock 2000: 20). Pocock’s discursive power is similar to Murray and Levesque’s notion of proactivity. *Discursive power* refers to the articulation of an agenda that is able to engender membership commitment (Pocock 2000: 20). Pocock’s concept of “culture and competence” is a distinct addition to Levesque and Murray’s model. *Culture and competence* refers to the internal life of the union: its ability to recognize its situation and to institute change in the context of changing circumstances (Pocock 2000: 21).

Pocock: Union Power

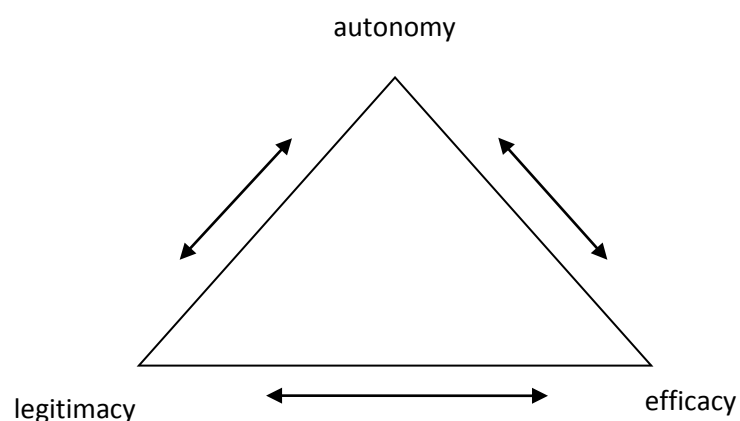
External environment



Hyman’s “organisational capacity” model offers an important addition to Levesque and Murray’s “power resources” and Pocock’s “union power” model introducing the issue of “interest representation” (Hyman 1997: 311). By discussing the issue of capacity under the broader banner of “interest representation”, Hyman places a much stronger emphasis on the role of the leadership in strategizing and shaping the involvement of members. For

Hyman, organisational capacity is therefore conflated with the effectiveness of trade union leadership: the efficacy of a union rests largely on the “skill, sensitivity and imagination” of the representatives themselves and the characteristics of the union’s representative structures (Hyman 1997: 311). In discussing effective representation Hyman offers another set of three to form an interactive triangle: autonomy, legitimacy and efficacy (Hyman 1997: 311). Hyman’s *autonomy* intersects closely with Levesque and Murray’s *proactivity* and Pocock’s *discursive power*. *Autonomy* is defined by a union’s ability to develop a “representative mechanism” independent from the employers (Hyman 1997: 310). Likewise, Hyman’s *legitimacy* is similar to Levesque and Murray’s *internal solidarity*, but is perhaps more narrowly defined coming closer to Pocock’s *mobilizing and organizing power* rather than touching on Pocock’s “structural capacity” element. *Legitimacy* for Hyman refers to the membership’s ownership of the union’s strategic objectives (Hyman 1997: 311). Hyman’s *efficacy* intersects closely with Pocock’s variable of *competence and culture*. For Hyman *efficacy* refers to “organisational capacity” which he breaks down into three broad categories: “the ability to acquire information (intelligence), to formulate policies coherently and dynamically (strategy) and to implement them appropriately (competence)” (Hyman 1997: 311).

Hyman: Effective representation



Union power and the NTEU

Drawing the work of Levesque and Murray, Pocock and Hyman together, what insights can be gained to help assess the power resources available to the NTEU? The three models can be summarized to provide five broad and interrelated categories for analysing the strengths and weakness of the NTEU: levels of responsiveness, proactivity or autonomy from management's agenda, ability to inspire membership commitment, levels of legitimacy with the membership and competence, culture and organizational capacity.

1. Responsiveness

Responsiveness is the result of a dynamic relationship between the external environment and the internal structures and processes of the union. As Carter points out unions are neither passive recipients of the external environment nor can they hope to act as independent agents free of the constraints of their external environment (Carter 2000: 118). Whilst the external environment may set the parameters for the scope of choices available (Boxall and Haynes 1997: 569) the strategic choices the NTEU makes can have significant impacts on its fortunes. As Pocock points out any combination of external factors can impact on a union: "product markets, employer strategies, the general state of the economy, the legislative environment, the dominant political discourses (individualism, anti-unionism, etc), and numerous historical legacies that shape national and international solidarities" (Pocock 2000: 21). However, it is important to note, that as with industry, the external environment offers not just threats but also opportunities. As Kelly points out, unions operate in the context of a contradictory employment relationship where employer hostilities and restructures and retrenchments threaten unionism whilst also providing the platform and wellspring for renewal (Kelly 1998 quoted in Fairbrother, Williams et al. 2007: 48). Voss and Sherman argue that "crisis" offers the shock necessary for the union organization to break with the past tradition exposing the weaknesses of the current strategy (2000: 308-9; 2003: 75) and providing an opening for new protagonists with new strategies to step forward (Voss and Sherman 2000: 309). In line with Kelly's argument, Voss and Sherman's empirical evidence showed that a negative shock or crisis offers more fertile environment as organizations in adversity are more likely to adopt alternative agendas (Voss and Sherman 2000: 309).

Responsiveness appears to depend on two related processes: firstly, developing an accurate understanding of external threats and opportunities and secondly adapting union strategy and the organization to best fit this context. The more accurate the union's information about its environment, the more appropriate will be its strategic response. As Levesque and Murray point out, globalisation has dramatically increased the speed in exchange of information (Levesque and Murray 2002: 42). Corporations have access to superior information capacities in the new global era and so therefore unions need to also increase this capacity (Hyman 1997: 311; Levesque and Murray 2002: 42) and the ability to process and disseminate this information (Levesque and Murray 2002: 48). Unions need to therefore develop their levels of "receptiveness". In an environment of high volatility and at times external hostilities, what processes did the NTEU adopt to monitor its environment? How accurate was its assessment of the external environment?

The second aspect to responsiveness is locating the best strategy to adapt the organization to meet these threats or opportunities. Several researchers have pointed out that some unions have demonstrated more responsive capacities than others. Heery et al in their study of the implementation of the Organising Academy focused on three factors for successful recruitment "incentive, opportunity and expertise" indicating a dynamic relationship between the internal life "incentive" and "expertise" of the organization and external "opportunities" made available to the union (Heery, Simms et al. 2000: 987). Similarly, using the poker metaphor, Ganz argues that chance may determine the outcome of any one hand, or even a game but in the long run some players are more likely to be winners than others (2000: 1008). An organization can always stumble on an opportunity but the likelihood it will make use of it depends on its strategic capacity (Ganz 2000: 1008). How effective was the NTEU in making strategic use of the external environment?

2. Autonomy

The second element of union power or effectiveness refers to its ability to go beyond merely reacting to its opponent's agenda to develop an independent union voice. Levesque and Murray define *proactivity* as the ability of unions to develop and pursue their own agenda

(2002: 45). An effective union strategy breaks the union free from purely a reactive stance that external pressures often impose on unions (Levesque and Murray 2002: 51). For example, in the context of workplace change it has been discovered that both simple opposition or simple acceptance tend to weaken membership support (Levesque, Murray and Lequeux, 1998) (Levesque and Murray 2002). The union therefore needs to develop a strategy that best articulates the membership's concerns and enhances their identification with their union (Levesque and Murray 2002: 50). Similarly Hyman's term *autonomy* goes beyond merely reacting to management's agenda to refer to the development of an independent "representative mechanism" from the employer; an articulation of a "coherent employee 'voice'" (Hyman 1997: 310). This leads to the question of the effectiveness of the NTEU in maintaining its independence in the face of the demands of management and the federal government.

3. From autonomy to inspiration

Following on from the need for an autonomous position is the third characteristic of effective union strategy which is that it must inspire support. Researchers have pointed out that an important element to the development of an autonomous voice is to develop an independent world view, a strategic vision for what the union hopes to achieve (Hyman 1997: 310; Pocock 2000: 14; Levesque and Murray 2002: 50). Levesque and Murray argue that one of the impacts of globalization is that workers are often better educated and better paid producing a tendency towards individualization making it more difficult to capture and articulate a collective set of beliefs or opinions (Levesque and Murray 2002: 48). Workers interaction with fast-paced, globally based information may also have the propensity to make them more "discerning consumers of ideas" (Levesque and Murray 2002: 49). The fragmentation of the workplace is compounded by increasingly diversified workplaces with the influx of women in particular and including sexuality, ethnic and age demographics. The challenge for the union is therefore to offer credible explanations to events and a convincing alternative way forward to an increasingly individualized and sceptical membership base (Levesque and Murray 2002: 49).

For many theorists and particularly those in the social movement camp, unions must therefore combat the perception of unions as only concerned with the narrow interests of its membership and to emphasize broader issues such as fairness, justice, dignity at work (Bronfenbrenner 2003: 44). Similarly Johnson and Jarley discuss how justice perceptions from outside of the workplace such as global issues, discrimination and inequality can inspire workers to join unions (Johnson and Jarley 2004: 557). Heery et al's analysis of the Organising Academy also emphasized the social movement aspects of the campaign: "justice", "respect", "dignity", "rights" and "fairness" such as the slogan "Respect at Work Zone" (Heery, Simms et al. 2000: 998). The union movement is encouraged to frame its goals in such a way as to capture social and political goals rather than narrow economic concerns (Hyman 1997: 326-7; Fairbrother, Williams et al. 2007: 47).

It is argued that the new globalised environment is characterized by a political pessimism and therefore unions must also keep belief in the possibility of social change alive (Levesque and Murray 2002: 49). As Fairbrother points out, at the heart of union renewal is the proposition of an "alternative world view of society" which emphasizes "participation, accountability, and public involvement" (Fairbrother, Williams et al. 2007: 47). That is the union needs to inspire, not just respond or react, which in turn requires a sophisticated understanding of its constituents and their goals and beliefs. How effective was the NTEU in inspiring its membership? What demands, goals and strategies did they adopt to attempt to unite its constituents behind its goals?

4. Democratic legitimacy

The fourth characteristic of effective union strategy is closely related to issues of autonomy and inspiration, that is: it must have legitimacy with the membership. A strategy's legitimacy with the membership is essential as, in the final analysis, the membership must display a "willingness to act" (Offe and Wisenthal 1985) in pursuit of these goals (Hyman 1997: 311). For a proactive agenda to have legitimacy with the membership it obviously cannot be imposed from the leadership but must be constructed in concert with membership participation (Levesque and Murray 2002: 51). Levesque and Murray take legitimacy a little further in indicating that internal solidarity might act as an antidote to the

fragmentation and individualisation of the current era enabling the construction of “new collective identities” and builds the “cohesion of the union as an institution on which its power depends” (2000: 12 quoted in Pocock 2000: 15). The issue of developing a proactive or strategic agenda is therefore intimately linked to the issue of internal solidarity (or democracy).

However, although membership participation is crucial to successful union strategy, the membership is in many ways beholden to the union leadership to frame their situation for them. For Hyman legitimacy refers to the “representativity” of representatives (Hyman 1997: 311). The important distinction that Hyman makes is that representation is *mediated* by the leadership (Hyman 1997: 311): “the self-negating consequences of purely decentralized democracy can be transcended only when articulated ... by coordination from above” (Hyman 2007: 199). Union effectiveness therefore requires “the capacity to interpret, decipher, sustain and redefine the demands of the represented, so as to evoke the broadest possible consensus and approval” (Regalia, 1988: 351 quoted in Hyman 2007: 5). Union leaderships do not just respond directly to external pressures nor is there an immediate clear line of communication internally from the membership to the leadership. Union memberships of course are not a homogenous grouping but have many varied and conflicting views (Hyman 1989: 150). Therefore, the union official must collate, assess and prioritize the wishes of the membership within the context of the pressures of the external environment (Hyman 1997: 311).

Effective union leaders therefore do not just respond to member’s grievances, they formulate strategy that mediates or reframes these grievances in order to direct members into a particular course of action. For Hyman the skill of being a union officer is the ability to “manipulate ideological resources”, to convince in terms that resonate with members, or even the “mobilization of bias” to encourage the most effective response to the challenges at hand (Hyman 1997: 311). Similarly, Johnson and Jarley argue that effective union representatives “convert” individual perceptions of workplace injustice into a collective need to act (Johnson and Jarley 2004: 556). Kumar and Murray in their empirical research into the Canadian union movement showed that deliberate interventions to shape and prioritise membership demands was the most significant variable in bargaining success in

what in what they term “newer agenda” items such as work-life balance, gender and workplace change issues (2002: 22). How did the NTEU National Office mediate the many conflicting demands of its membership to arrive at its strategy? In what ways did it attempt to shape these demands to enhance its approach?

5. Competence, culture and organizational capacity

The fifth element of a union’s power resources draws attention to the “inner life” of the NTEU. The effectiveness of any strategy is mediated by what Pocock calls *competence and culture* or what Hyman would similarly call *efficacy*. As Pocock points out, the importance of this factor is that the development of an effective union strategy is not a linear process of establishing effective goals and then seamlessly implementing them for union success (2000: 10). In fact, regardless of the merits of the goals and strategies established many union initiatives stumble at the “muddy process of change” that characterizes the implementation phase (Pocock 2000: 29). A union may have very effective representative structures and the capacity to develop sophisticated, responsive policy but not have the organizational ability to implement these strategies. In Pocock’s discussion of a manufacturing union in Australia, she showed that whilst there appeared to be general agreement on the strategic direction of the union, entrenched cultures and an internal climate of rivalries, divisions and vested interests hampered the realization of this direction (2000: 48).

Competence and culture is closely related to the issue of responsiveness as it encompasses issues of entrenched traditions and path dependence. As Johnston points out trade union policy-makers “tend to rely on familiar repertoires or behavioural scripts when faced with new conditions” (1994: 37 quoted in Hyman 2007: 202). Gardner calls this a union’s “preferred strategy” or its characteristic approach to achieving its goals (1989: 55). This preferred strategy may not be explicitly understood but may be made up of unconscious choices that are based on customs built incrementally over time (Gardner 1989: 55). As Pocock points out, the internal climate, history and traditions of individual unions can also act to constrict either the strategic choices available to actors or even constrain the perceived options available (2000: 59). Making a similar point, Gardner draws on Lange et

al's (1982) concept of "strategic inertia" (1989: 64). Strategic inertia is attributed to the entrenched traditions of the union as well as the requirement to maintain union membership support which constrains a union's ability to quickly develop new strategies in response to changed circumstances (Gardner, 1989: 64). Unions with their emphasis on traditions and precedent can become "path dependent" (Hyman 2007: 202) or fall victim to "competency traps" (Levitt and March 1988 quoted in Hyman 2007: 202) where tactics that may have worked in the past and so have gained respect and become entrenched becomes an obstacle to developing new approaches when circumstances change (Hyman 2007: 202). Therefore, before a union can learn new approaches it may need to "unlearn" established routines and assumptions which may no longer be effective or appropriate (Hyman 2007: 202).

Competence and culture also incorporates issues that are often neglected in union strategy discussions: administration and financial management (Pocock 2000: 51). Effective union strategy requires taking stock of the administrative functioning of the union, its: finances, assets and staffing levels, human resource management, conflict management, pay and conditions (Pocock 2000: 51). Pocock showed how the allocation of cars and the difficulty in cutting down their use and numbers in light of dire circumstances were symbolic of the problems that beset the manufacturing union and compromised its competence (Pocock 2000: 52). What elements of the inner life of the NTEU, its resources, traditions and processes impacted on its ability to implement strategy?

Summary

How can the union renewal literature reviewed in this chapter assist research into how the NTEU built the capabilities required to meet the challenges of bargaining during the period 1993 to 2005? One of the key lessons to be drawn from the discussion in this chapter is that the unit of analysis in examining union effectiveness is not the leadership or the membership in isolation but the relationship between the two. Effective lines of communication among the various layers of the union would appear to underpin most of the elements of effective trade union strategy; effective communication enables access to the knowledge necessary to respond to the specific demands of the external environment

and is also central to the development of an autonomous agenda that has the democratic legitimacy necessary to inspire the union membership and its supporters into action. This chapter has discussed how it is not enough for a union to develop effective strategy it must also have the capacity to put that strategy into motion. Chapter three will show how many of the skills and capacities, such as organizational responsiveness and creativity, required to build trade union effectiveness can be more readily explained by those in the field of knowledge management.

As this chapter has shown, with varying emphasis on the leaders or the lead, the development of effective union strategy could be understood to rely on three key factors: firstly, the strategic capacity of union leaders, secondly the engagement and contribution of union memberships and supporters and thirdly and perhaps most importantly, structures and processes that maximize the effectiveness of the relationship between the two. These three factors will be discussed in greater detail in chapter four. The union renewal literature therefore directs this research of the NTEU national officers to examine the relationships they maintained with the various layers of the union in the development of its strategy. What networks did it maintain to help it monitor its external environment? How did the NTEU national office mediate the many conflicting demands of its membership to arrive at its strategy? In what ways did it attempt to shape these demands to enhance its approach? And in discussing its capacity to pursue its strategy, what elements of the inner life of the NTEU, its resources, traditions and processes impacted on its ability to implement strategy?

Chapter Three

Knowledge Management

The purpose of this chapter is to conduct an analysis of knowledge management literature to consider how the insights and approaches of this research might contribute to the trade union strategy literature discussed in chapter two. This chapter begins with a brief discussion on what knowledge management is and how it might be applied to analysing learning in the NTEU. The chapter then conducts a review of the knowledge management literature to build an understanding of what kinds of knowledge the NTEU might employ. Once it is known what “knowledge” is in the context of the NTEU, this chapter then asks the question: how is this knowledge built and disseminated? Chapter four will return to the findings of this chapter and combine it with the observations of the trade union literature in chapter two to build a research framework for analysing the learning process in the NTEU.

Knowledge Management which came to prominence in the early 1990s can best be understood as a heightened appreciation of the value of intellectual assets and their potential to deliver competitive advantage in the context of the fast paced globalized markets and the advancement of information technology (de Cieri and Kramar 2004: 586; Dess, Lumpkin et al. 2005: 119; McKinlay 2005: 242). The study of knowledge management is therefore concerned with the way in which organizations attract, develop and retain “talent” (Dess, Lumpkin et al. 2005: 124) and “gather, store, share and apply knowledge that can enhance competitiveness” (de Cieri and Kramar 2004: 342). Another related strand of knowledge management is devoted to “innovation” (Dess, Lumpkin et al. 2005: 408) and “knowledge creation” (Nonaka 1991: 96) where the creative generation of new knowledge enables the development of new products, technology or services for competitive advantage (Nonaka 1991: 96; Dess, Lumpkin et al. 2005: 409). There has therefore been considerable discussion and debate among researchers offering valuable insights into what constitutes knowledge in an organization and in turn where it resides in an organization and how this knowledge is shared and new ideas are generated.

Of what use is knowledge management theory for understanding the NTEU? As was established in the previous chapter, trade unions are dramatically different from other organisations in that at least theoretically power flows upward; that is its leaders are servants to the democratic wishes of their membership (Strauss and Warner 1977: 116). However, although the NTEU has very different governance structures and quite different goals and objectives to most companies, knowledge management theory would appear to be relevant for some of the same reasons that industry has found it helpful. Firstly, in a time of rapid change the NTEU, like many companies has been under considerable pressure to develop their dynamic capabilities. Secondly, knowledge management has often focused on professional workers whose output is primarily knowledge-based (Blackler 1995: 1022). Like many companies, the NTEU primarily employs knowledge workers: legal and industrial staff whose “craft” is the development, application and dissemination of often tacit knowledge based around bargaining and negotiations. In an increasingly litigious and complex industrial relations environment, the ability of the NTEU to respond to external pressures demands high levels of legal, industrial and political expertise and in the ability to creatively apply this knowledge in an unpredictable environment.

However, trade union democracy creates an additional complication for knowledge management in the context of the NTEU requiring an analysis not just of how the NTEU manages the process of developing the skills of its employees but also its approach to the task of building and sharing knowledge at every level of the organization. As discussed in the previous chapter developing the strategic capacity of union leaders is an essential ingredient to effective union strategy. It was also found that engaging the union membership is vital for ensuring the democratic legitimacy of the union’s goals, to inspire support as well as to monitor the external environment. It is therefore vital to empower elected representatives and members of the union to generate new ideas and to have these ideas disseminated and to gain influence in decision making. Understanding the nature of unions as organizations of a particular kind with very different governance structures to those routinely researched in knowledge management literature is important for understanding the particular pressures on the NTEU in learning to navigate enterprise bargaining.

What kinds of knowledge?

The starting point for this discussion is to analyse what kinds of knowledge is being referred to in this analysis of the NTEU. In an attempt to describe the various forms of knowledge, researchers have tended to make a distinction between *explicit* and *tacit* knowledge. Explicit knowledge is conscious and can be articulated or codified and therefore easily disseminated (Lubit 2001: 166). It tends to be timeless, generic and not bound to any particular context (McKinlay 2005: 243) and incorporates formalized, theoretical or abstract knowledge such as those learned at university or college for professional or technical roles (Frenkel et al. 1995: 779) or what Blackler would term “embrained knowledge” (1995: 1023). Encoded explicit knowledge is often located in an organization’s prescriptive manuals, rules, regulations and codes of practice and is often recorded and transmitted electronically (Blackler 1995: 1025; McKinlay 2005: 243). In contrast, tacit knowledge is more difficult to express or share in line with Polanyi’s view that “we know more than we can tell” (Leonard and Sensiper 1998: 113). For Lubit tacit knowledge is not a particular piece of information that can be easily articulated and shared but knowledge that incorporates “know how” or a way of making sense of the world which is often unconsciously accumulated and stored (2001: 166).

However, there are a series of difficulties with this simple explicit and tacit dichotomy. Many researchers support Polanyi’s seminal observation that all knowledge has a tacit dimension (Leonard and Sensiper 1998: 113). For example, Leonard and Sensiper argue that knowledge exists along a spectrum: at one extreme is knowledge that is completely tacit, semiconscious or subconscious and at the other is knowledge that is completely explicit, codified and accessible to others, with most knowledge existing at a point between these extremes (1998: 113). In practical terms, there is no point in knowing formal, abstract or codified knowledge without the tacit knowledge needed to apply it (Brown and Duguid 2001: 204). Therefore implicit and explicit dimensions are not two distinct “types of knowledge” but are interdependent (Brown and Duguid 2001: 204), reflecting what Blackler terms “embodied knowledge” or knowledge which is only partially explicit but also relies on sensory input and physical contact (1995: 1024). All work requires both abstract and contextual knowledge (Frenkel et al. 1995: 779; McKinlay 2005: 243). A good example of

this interplay is reflected in Orr's field study of photocopy technicians where a technician's "know how" depended not just on their abstract or explicit blue-print of how the machine works, but on a physical interaction with the machine using instincts and senses (for example, listening to the sounds the machine makes), interaction with users (including verbally imitating the distinctive noise the malfunctioning machine makes) and looking at print copy to guide the diagnosis of the problem (1998: 441). Whilst the importance of the technicians' manual is not in question here, such material has difficulty in codifying the *ker-clunk* and *whirr* of a malfunctioning photocopy machine, this information must be tacitly understood by the technician (Orr 1998: 442). In summary, as Blackler points out knowledge is "multifaceted and complex, being both situated and abstract, implicit and explicit, distributed and individual, physical and mental, developing and static, verbal and encoded" (1995: 1032). Understanding the relationships between the variety of its manifestations is as important as identifying their categories (Blackler 1995: 1033).

If knowledge is so complex and ephemeral, how then can the kinds of knowledge the NTEU requires in the formation of strategy be analysed? The solution can be found in activity theory (1995: 1035). Blackler folds researchers like Lave, Engestrom, Orr, Ellstrom and Brown and Duguid into a broad category of research based on Vygotsky's "activity theory" (1995: 1035). Activity theory reinforces the term "knowing" over "knowledge", emphasizing the link between knowledge and the constantly evolving learning process as opposed to knowledge as a static abstraction (Blackler 1995: 1035): "rather than studying knowledge as something individuals or organizations supposedly have, activity theory studies knowing as something that they *do* and analyses the dynamics of the systems through which knowing is accomplished" (Blackler 1995: 1039). For activity theorists, knowledge is "situated" in a particular context, "provisional" or constantly evolving and "pragmatic" or practical and focused on the task at hand (Blackler 1995: 1039-40). Therefore, for Brown and Duguid among others, the solution is to keep the analysis focused on "practice"; the way work gets done is the key to understanding what knowledge is and how it is generated and transmitted to others (2001: 200). Similarly, Orr argues that the context in which the work is carried out determines how knowledge is applied and what is "known to be true" (1998: 446).

Activity theory and the NTEU

There are some clear intersections between activity theory and the observations of the trade union renewal literature in the previous chapter. Activity theory with its emphasis on contextual, constantly evolving and practical knowledge would appear to be a very helpful theory in addressing issues of trade union responsiveness. In applying activity theory to the NTEU, it is clear that this study must go beyond an analysis of the encoded knowledge embedded in the myriad of policies, enterprise agreements, awards and legislation which govern the employment contract to focus on *practice*: the skills, information, experience that individuals and groups within the NTEU draw on in their attempt to solve problems generated by the context in which they are operating. In an environment where both the legislation regarding industrial relations and higher education were in flux what strategies did the NTEU adopt to attempt to stay abreast of the most current and relevant information and to develop responses to the new challenges they were confronted with?

The NTEU: what kinds of knowledge?

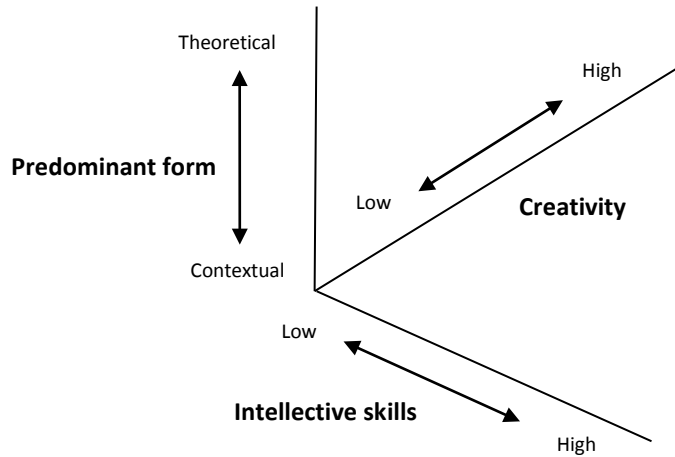
In line with activity theory, therefore, the best way to understand what kinds of knowledge or “know how” the NTEU required is to focus on practice. Frenkel et al. have developed a model which offers a way to represent the knowledge element of work roles in the modern workplace. For Frenkel et al the level and forms of knowledge required to perform a work role can be understood in terms of three dimensions: the *predominant form of knowledge*, the relative levels of *creativity* and *type and level of skill* (Frenkel, Korczynski et al. 1995: 781). The form of knowledge dimension makes a distinction between contextual knowledge or information which is grounded in concepts and practice that are not easily generalized to other contexts and theoretical or abstract knowledge (Frenkel, Korczynski et al. 1995: 779). As discussed earlier in the chapter, theoretical or abstract knowledge is a form explicit knowledge learned in higher education or colleges required to perform professional or technical roles (Frenkel, Korczynski et al. 1995: 779). For example, a laboratory technician will likely have low levels of theoretical knowledge but require high levels of contextual knowledge (Frenkel, Korczynski et al. 1995: 782) where a doctor will likely require high levels of both forms of knowledge with perhaps a predominance of theoretical knowledge. Therefore a work role can be understood along a spectrum as to the levels and predominant

form of knowledge required from contextual to theoretical (Frenkel, Korczynski et al. 1995: 779).

Creativity refers to the generation of original responses, ideas or solutions to a problem or a product (Frenkel, Korczynski et al. 1995: 779) *Creativity* is enlisted when an employee needs to infer a course of action from diverse sources of information (Frenkel, Korczynski et al. 1995: 779). Frenkel et al have defined creativity using three attributes: the extent to which the given problem or issue is *heuristic* (open-ended) or *algorithmic* (with a clear path to solution), the *originality and quality* of the output required and the extent to which original insight builds on other knowledge or must be developed and realized from scratch (1995: 779). Orr's photocopy technicians were shown to use their tacit knowledge or "know how" to fill the gap where the official manual was deficient to develop solutions to malfunctions that were not anticipated when the copier was designed or when installed in a particular workplace (Orr 1998: 444). In developing their distinction between *actual practice* as compared to "abstract knowledge", Brown and Duguid use the analogy of a journey as experienced by those on the ground as compared to how it looks when drawn on a map (1991: 41-42). The map smoothes over the myriad of decisions made when navigating obstacles or challenges created by changing conditions (Brown and Duguid 1991: 42). Creative, improvised strategies are often employed when there is a clash or mismatch between the canonical practice and the unpredictable reality (Brown and Duguid 1991: 42). A work role can therefore be categorized according to the level of creativity from high to low required to perform it (Frenkel, Korczynski et al. 1995: 779).

Frenkel et al's category of type and level of skills is broken into three types: action centred, *intellective* and *social* (1995: 780). *Action centred skills* refer to physical ability such as reflexes and dexterity (Frenkel, Korczynski et al. 1995: 780). *Intellective skills* refer to the ability to reason to synthesize information and to make inferences and can enlist either theoretical or contextual knowledge (Frenkel, Korczynski et al. 1995: 780). *Social skills* includes the ability to develop inter-personal relationships to assist in the realization of goals, the ability to convince or persuade, the ability to communicate, teach and learn from others (Frenkel, Korczynski et al. 1995: 780) Thompson et al would term this knowledgeability at work (Thompson et al. 2001: 926).

Frenkel et al's Three Dimensions of Work



Ellstrom's research into "work-integrated learning" has focused on the conditions that promote the development of the various kinds of "know how" required to perform roles (2001: 421). Ellstrom has developed two broad categories for modes of learning in the workplace: *adaptive* and *developmental* (2001: 422). Under these two broad headings, he has developed a taxonomy which defines four different levels of learning: reproductive, productive (type I), productive (type II) and creative (Ellstrom 2001: 423). *Adaptive learning* which is *reproductive* is work-integrated learning where the tasks, methods and results are clearly prescribed allowing for minimal discretion or decision making (Ellstrom 2001: 423). This kind of work involves the "lowest" level of learning which would correspond to routine, low skilled work roles (Ellstrom 2001: 424). At the other end of the spectrum, work which requires *developmental learning* involving high levels of *creativity* (Ellstrom 2001: 423) might be what is required to develop Frenkel et al's *intellectual skills* (1995: 780). This highest level of "developmental learning" involves engaging active knowledge-based problem solving and hypothesising where the learner must define the problem from first principles and attempt to make explicit that which is perhaps only partially understood so that assumptions can be tested and experimentation can take place (Ellstrom 2001: 424). In line with activity theory, Ellstrom is careful to point out that the two main modes of learning are not mutually exclusive but that many skilled and professional roles will likely involves all

four modes of learning to varying degrees moving between routine and non-routine work depending on the task at hand (Ellstrom 2001: 424).

Ellstrom’s levels of learning as a function of the scope of action

	<i>Levels of Learning</i>			
<i>Aspects of work-learning situation</i>	<i>Adaptive learning</i>		<i>Developmental learning</i>	
	<i>reproductive</i>	<i>productive (type I)</i>	<i>productive (type II)</i>	<i>creative</i>
<i>Tasks</i>	<i>given</i>	<i>given</i>	<i>Given</i>	<i>Not given</i>
<i>Methods</i>	<i>given</i>	<i>given</i>	<i>Not given</i>	<i>Not given</i>
<i>Results</i>	<i>given</i>	<i>Not given</i>	<i>Not given</i>	<i>Not given</i>

The observations of activity theory are helpful for this study of the NTEU. By focusing on practice, activity theory enables the incorporation of a spectrum of explicit and tacit, formal and informal forms of “know how” and learning. As Heery and Kelly point out, there is no formally recognized set of skills or knowledge that an individual must have in order to qualify for the position of elected union official (1994: 13). Therefore, a preliminary application of Frenkel et al’s model would indicate that whilst the NTEU likely requires some level of abstract or theoretical knowledge the union predominantly relies on *contextual knowledge* built up over time and learned through experience. Drawing on Ellstrom’s taxonomy, it requires *creative learning* where the task, method and results are not clearly defined. The NTEU was overwhelmingly confronted with heuristic or open ended problems requiring the creative application of knowledge and “know how”. For example, whilst enterprise bargaining at each university campus would appear to have repetitive themes debating similar issues, an approach that might work on one campus may not on another. In negotiating an enterprise agreement there was no reliable map available as every journey is a new journey and every decision made along that path creates another vista which also has not been mapped.

The NTEU: sharing knowledge through building community

In the previous chapter devoted to trade union effectiveness, it was argued that it was not sufficient for a union to have a skilled leadership, but that this leadership must forge an effective inter-relationship with all other constituents within the union and in particular its membership and supporters if it is to formulate effective strategy that has sufficient legitimacy with its support base to inspire action. The union must have the capacity to adapt its internal life and priorities to meet the challenges of its environment. The key to effective unionism therefore is the free flow of information and the capacity to process this information to formulate and implement appropriate strategy. However, if the information the NTEU relies on is overwhelmingly “know how” as distinct from explicit and codified information, how then does this kind of knowledge get transmitted? Activity theorists argue knowledge creation and dissemination is inherently a group activity (Teece et al. 1997: 15; Leonard and Sensiper 1998: 115); knowledge is “mediated” and therefore located in community discourse (Blackler 1995: 1039-40). So, the verb is “becoming” a member not “learning” a set of practices (Brown and Duguid 1991: 48). This is what Blackler would call developing “encultured knowledge” (1995: 1024). Engestrom has a similar notion of “socially distributed activity systems” where individuals have their own activities but these activities are mediated by interaction with the activity system of rules, language, technologies and norms of their community (Blackler 1995: 1037).

Like many occupations, the role of trade union representative is more of a vocation or an occupation than merely a job. Learning in the NTEU can be understood as becoming a member of a community, learning its particular language and developing relationships which enable access to the repository of knowledge available. In drawing a distinction between a job and an occupation, Standing argues that a job is a “set of tasks that might or might not be combined into an occupation. Often, it has had a pejorative meaning attached to it, implying a lack of permanency, a lack of accumulated wisdom and skill...A job is what one does, an occupation is what one is” (Standing 2002: 255). Individuals draw from “existing social, moral, physical and intellectual character” of their occupations (Van Maanen and Barley 1984: 289) and form communal bonds with others who share their occupation (Van Maanen and Barley 1984: 298). They also suggest that membership of an

occupational community becomes a central element of presenting the self often with a sense of pride to others and particularly to those outside of that community (1984: 298-9). As Van Maanen and Barley point out occupations that are often stigmatized by outsiders and that require “adopting a particular style of life” are particularly prone to encouraging strong bonds of support within the community (1984: 303-5). In line with this idea, certain characteristics of the NTEU can therefore be understood to encourage a collective “value system” and strong bonds of understanding to be created. For example, the “ordeal like atmosphere” (Van Maanen and Barley 1984: 305) of representing members in a particularly hostile negotiation where the outcome is unknown and the best path to take is unclear will tend to encourage members of the community to look to each other for support. Van Maanen and Barley also note that occupations where responsibility for others is central to the role will also tend to encourage tight bonds within the community (Van Maanen and Barley 1984: 303).

It is not possible to adequately discuss the notion of membership within the context of the NTEU without also tackling the thorny issue of ideology. Lubit's notion of "know how" a way of approaching problems or conceptualizing “cause and effect” and what meaning to attribute to those events (2001: 166) when applied to the NTEU necessarily entails a political world view. The union world view contains within it a raft of philosophical and moral meanings drawing on a range of abstract theories which either consciously or unconsciously inform approaches to solving problems. Van Maanen and Barley argue that learning the community’s codes, values and languages can often be all embracing and determine an individual’s outlook even when they are not at work (1984: 300). The ethos encouraged within the occupational community becomes a way of seeing the world that sets community members apart from others (Van Maanen and Barley 1984: 300). Further, whilst their union commitment may set them apart from others it acts to forge stronger relationships within their occupational community. The activist may choose to spend their leisure time with other members of their occupational community where they gain comfort and support in their shared outlook. Van Maanen and Barley’s “visual tie signs” that symbolize membership (1984: 299) are also in plain view: NTEU t-shirts, hats, stickers and badges act to symbolically identify and visually stamp the individual as a member of this community as a matter of pride.

How do researchers recommend analysing the way in which experience is transmitted within an organization? Activity theory, with its emphasis on practitioners, recommends focusing on the way in which these practitioners interact both formally and informally and how their community ties are built and maintained. Orr and Brown and Duguid argue that it is through narration or storytelling that intangible or tacit experience is generated and shared within communities. Storytelling unlike reading a manual or a road map has the flexibility to enable the articulation of instincts, hunches, misinterpretations and concerns and perhaps even subconsciously held thoughts and ideas to develop a shared understanding of cause and effect and bring coherence to a series of seemingly random events (Brown and Duguid 1991: 45). New insights are folded into the shared narrative (Brown and Duguid 1991: 44). Stories therefore act as repositories for accumulated wisdom (ie. noncanonical practice). Similarly Srivastava and Barrett emphasise the need to focus on language, metaphor, symbols and imagery as central to the building of encultured knowledge (Blackler 1995: 1024). They further show that as circumstances change often there is a composite experimentation and ultimately a shift in the shared metaphors (Blackler 1995: 1024).

Taken from this perspective, the trade union “war story” is not just for entertainment value but plays a vital role in transmitting knowledge and binding those communities. When it comes to disseminating the trade union world view, storytelling has the flexibility to implicitly argue for an approach to problem solving or a course of action whilst incorporating a raft of philosophical or political meanings. Through storytelling, the individual contributes to the shared wisdom of the community as well as constructs their own identity within that community by demonstrating the perspective with which they would like to be known, such as a reliable “fixer of problems” or someone who can contribute valuable information (Brown and Duguid 1991: 47). As Orr showed in his field study of photocopy technicians, storytelling and group learning and innovation happened not just at work, but progressed throughout the morning, took place over lunch and then back in front of the copier in the afternoon (Brown and Duguid 1991: 44). Therefore, the transmission of knowledge does not just occur in the workplace but can be recounted in pubs and coffee shops and barbecues and help to forge relationships that extend into the

personal sphere. The pleasures in sharing union war stories can blur the boundaries between work and leisure. The key therefore to studying knowledge sharing and creation in the NTEU is to focus on the way in which individuals interact with others both formally and informally to build an appreciation of the NTEU as a learning community or more accurately a community of communities.

Knowledge: sticks and leaks

In response to the claim by many researchers that the limitation of explicit knowledge is that it is easily replicated (“leaked”) to other organizations while tacit knowledge is difficult to disseminate (and therefore “sticks”), Brown and Duguid argue that there is no such simple distinction as “sticky” and “leaky” knowledge but it is the extent to which sets of practices are similar that impacts on the transfer of knowledge (2001: 204). For activity theorists, it is the shared experience of communities that enable knowledge to be transferred. Storytelling assumes a communal understanding where the similarity of experience allows for the ready transfer or “leaking” of information among peers (Brown and Duguid 1991: 44). Anthony Giddens’s notion of “disembedding” and “re-embedding” knowledge unpacks this issue: the critical element is to what extent the conditions at both ends of the communication process are similar (Brown and Duguid 2001: 204). Knowledge leaks where there is shared practice and sticks where there is not (Brown and Duguid 2001: 207). For example, knowledge may leak outside an organization among a community of practitioners with similar roles or occupations whilst being sticky inside an organization (Brown and Duguid 2001: 209). This point may be significant for the NTEU as it might help to explain why information was successfully transmitted within the organization in some instances and why communication failed in others. Is it possible that the extent to which experience was shared among national officers and negotiators was the key to understanding how effectively information was transmitted and assimilated? The national office, as a centralized hub for these ideas, could be understood as a facilitator in a national conversation in which the success or otherwise of its communications depended on the extent to which participants were “speaking the same language”.

Limitations to the community of practice

Understanding the NTEU as an organization comprised of communities of practice may also assist in explaining the many pitfalls and challenges encountered during its development. Researchers have identified two key limitations to the effectiveness of communities of practice. Firstly, communities of practice are inherently exclusive and therefore can be resistant to change. As Swan et al argue communities of practice may be very effective in encouraging learning and innovation within the community but they may obstruct the flow of information across communities and therefore constrain the wider organization (2002: 478). Van Maanen and Barley observed that whilst innovations generated from within the community can be readily accepted and promoted, occupational communities can prove very resistant to change that may be perceived as a threat to their collective autonomy or viability (1984: 343-4). What's more, individuals will likely form much tighter bonds within their own professional community rather than with their organization as a whole (Brown and Duguid 2001: 202). The boundaries of communities are maintained by codes and language which are often impenetrable for outsiders (Van Maanen and Barley 1984: 336) enabling them to insulate themselves from alternative approaches (Van Maanen and Barley 1984: 337). What difficulties did the NTEU have in transmitting its ideas across the organization? Can some of the difficulties encountered by the NTEU in uniformly applying its strategy be explained by the limitation of communities of practice?

Secondly, whilst communities of practice may be effective in day to day problem solving, it is argued that radical innovations occur at the interstices across groups and that communities of practice may make these connections more difficult (Swan et al. 2002: 478). Leonard and Sensiper argue that intellectually heterogeneous groups are more innovative than homogeneous ones as homogeneous groups are prone to "group think" (1998: 118). They argue that true innovation relies on reframing or reformulating a given problem, not just solving the problem in the usual way (Leonard and Sensiper 1998: 114-5). Similarly, Ellstrom identifies the learning potential in "errors, disturbances and problems" where the old approach stops working and employees may have the opportunity to participate in group discussion to redesign work systems or processes (2001: 430). "Creative abrasion" occurs when each person in a group focusing on the one problem, brings their own set of

understandings to the table enriching the process and increasing the likelihood of breaking the “frame” (Leonard and Sensiper 1998: 118). Conflicts between diverse viewpoints generate new ideas (Leonard and Sensiper 1998: 118). Often in group discussion a minority opinion will be offered which may not in itself be beneficial but will spark a new train of thought which leads to the ultimate solution (Leonard and Sensiper 1998: 118). Leonard and Sensiper argue that the tacit knowledge (or deep skills) of individuals required for innovation can only be unlocked in group interaction (Leonard and Sensiper 1998: 117) and that perhaps the most important aspect of tapping tacit “know how” is that hunches only partially conscious or a deep understanding of how things work enables the preparation and incubation of ideas that are the precondition for “flashes” of new insight (Leonard and Sensiper 1998: 114-5). During the progress of successive rounds of enterprise bargaining the NTEU encountered a series of road blocks, in some cases intentionally constructed by its opponents to stymie the NTEU’s progress. The old ways stopped working and a complete rethink of the NTEU’s approach was required. What was the process required to generate major innovation? Where did the “big ideas” come from? Were they generated “in house” or did the NTEU need to go outside of its established communities to break with its old routines to find new approaches?

Another important element of the coming together of heterogeneous groups involves feeding in new information from the outside world. Accessing new information is what enables an organization to change (MacDonald, 1995: 558). The term “boundary spanner” refers to individuals whose relationship to the external world enable the exchange of information between the organization and the outside world (Hoe, 2006: 9). Amongst other roles boundary spanners enable an organization to monitor conditions in the external world (Hoe, 2006: 10). As Tushman and Scanlon point out successful transmission of information between the internal and external environment depends on a two-step process: obtaining the information from the external environment and secondly successfully transmitting this information within the organization (Tushman and Scanlon: 1981: 292). Therefore it depends on the individual’s ability to learn the language of both the external and internal environments (Tushman and Scanlon, 1981: 292) and to translate between the two. The individual must have successful external connections but also be well connected internally to disseminate the information (Tushman and Scanlon, 1981: 292). A “star” boundary

spanner is one who has significant external connections as well as the respect and status, generally earned through perceived competence, internally to influence the organization (Tushman and Scanlon, 1981: 290). The successful transmission of information from the outside world also requires synthesis with the current body of internal knowledge to develop a new approach to the current issue (MacDonald, 1995: 562). This process can happen at any part of the organization.

Another term for drawing in knowledge and resources from the outside world via relationships is “social capital”. Social capital is defined as the sum of knowledge and resources that an individual or group accrues through virtue of its connectedness to other individuals or groups (Burt 2001: 32). Like other forms of capital it is productive in that it makes possible the achievement of goals or objectives that would not otherwise be possible (Putnam 1993 in Burt 2001: 32). As Jarley points out “if human capital entails ‘what you know’, social capital involves ‘who you know’ (and who and what they know)” (2005: 3). For organizations, social capital involves harnessing the networks of contacts that individuals or work units create with other individuals or workplaces to access resources (Knoke 1999, Lazega 1999 cited in Jarley 2005). Social capital is a very broad term which can be applied to workplaces or communities and can refer to almost any resource that has been gained via human interaction, such as access to goods and services, friendship circles, education, health care or emotional support. Research methods developed to study how social capital is built and maintained has been enlisted in this study. This will be discussed in the following chapter. However, this research has a much more specific focus than social capital. This thesis is concerned with the transmission of information or “know how” among groups and individuals both within the NTEU and from the external environment to develop trade union strategy.

Summary

How can the knowledge management literature reviewed in this chapter assist an investigation into how the NTEU learned to navigate enterprise bargaining during the period 1993 to 2005? The literature has highlighted the fact that there are many aspects of knowledge that will not be immediately apparent in the formal record of events that might

be captured in memos, minutes and policy documents but that perhaps the most important forms of knowledge are those that are forged through relationships in the context of problem solving in both day to day situations in the development of new ideas. Codified information should therefore be treated as an artefact that points to the *process* by which that information was developed. This issue will be discussed in the research methodology section of the following chapter.

Activity theory argues that generating and sharing “know how” is inherently practical; that learning and innovation is driven by the demands of the context in which participants are operating. To understand what skills the NTEU therefore requires a focus on the problems and challenges generated by the context in which participants are operating. Further, the emphasis on communities of practice encourages this research to focus on the *relationships* among participants as the primary unit of analysis for understanding how learning and innovation occurs. Therefore this thesis is looking for evidence of the development of learning communities and other relationship ties involved in problem solving and strategic decision making in the NTEU.

The literature has therefore inspired a series of questions to guide further investigation. If knowledge creation is inherently a group activity as researchers have argued then who or which groups were involved? How was “know how” disseminated, stored and built over time within the organization? How were new ideas created? What motivated officers to push beyond the safe confines of current practice to seek alternative approaches? Also, how conscious was this learning process and what attempts were made to codify or otherwise store and share these lessons?

Chapter Four

Combining trade union and activity theory literature to develop a research method

The purpose of this chapter is to draw the observations of both the trade union strategy and knowledge management bodies of literature together to guide the development of a framework for the empirical research in this thesis. Chapter two of this thesis was devoted to a discussion of recent trade union renewal literature which has moved beyond the organizing versus service model binary to more dynamic, context driven ways of understanding trade union strategy. Effective trade union strategy involved developing an autonomous message which has legitimacy with the union membership and can therefore inspire them into action. Effective trade union strategy must also be responsive to the external environment whilst at the same time mindful of the “inner life” of the union to ensure it has the competency and capacity to implement the strategy. Three key factors for a union’s ability to develop effective union strategy were identified: firstly, the strategic capacity of the union leadership, secondly the engagement and contribution of the union membership and supporters and thirdly and perhaps most importantly, structures and processes that maximize the effectiveness of the relationship between the two. This chapter returns to these three factors in depth superimposing the observations from the knowledge management literature discussed in chapter three to build an understanding of how these three factors might be analysed in the context of strategic decision making in the NTEU. The second half of this chapter outlines the research method that will be adopted for the empirical research of this thesis.

1. Developing the strategic capacity of leaders

A recurring theme in the trade union literature, from Voss and Sherman’s “political will” and “knowledge, vision, and sense of urgency” (2003: 65) to Hyman’s “skill, sensitivity and imagination” (1997: 311) is the objective of developing the ability of union leaderships to create and implement effective strategy. However, there is limited discussion on how these

skills might be built. For Voss and Sherman, “know how” and new ways to interpret situations from the international union movement (Voss and Sherman 2003: 69) or from leaders with activist experience from outside the labour movement (Voss and Sherman 2000: 303) were essential ingredients to union revitalisation implying that unions in decline must import expertise from outside its ranks. But the question remains: how did those leaders develop their skills? Voss and Sherman observed it was the practical experience gained through other campaigns that could be transmitted to similar environments in the union movement (2003: 65-66). The union leaders who were successful in implementing the social movement model were either an older guard of activists from the ‘60s and ‘70s or a new younger layer of student activists involved in campus activism and identity politics (Voss and Sherman 2003: 65-66). Interestingly, it was not a specific brand of politics or campaigning, but the experience of activism itself. As one research participant outlined, union officers: “[needed] some sort of political organization, some sort of socialist organization, even, who are actively committed to building the union movement, and have some new ideas about how to do that, and will use the strategies developed [in other social movements]” (Voss and Sherman 2003: 66). In Voss and Sherman’s depiction of social movement unionism it seems whether consciously or not part of its goal is to create an environment where activist or ideological skills learned elsewhere may be more easily assimilated into the union movement. This is what knowledge management literature would refer to as knowledge being *leaked* from one organization to another (Brown and Duguid 2001: 204). The necessity to import talent from elsewhere may be because of the particularly distressed state of the union organizations Voss and Sherman researched. Or perhaps it is in line with Michel’s “iron law of oligarchy” that Voss and Sherman believe only non-bureaucratized movements are capable of producing fresh talent. However, is it possible that union organizations could discover ways to build these skills in-house?

Knowledge management has much to offer a discussion regarding the development of the tacit skills such as creativity, intellectual and social skills required to develop the strategic capacity of union leaders. Activity theory with its emphasis on “situated”, “provisional” and “pragmatic” knowing over more abstract, static forms of knowledge (Blackler 1995: 1039-40) would argue that tacit skills of the nature required to lead in a union can only be learned through experience and transmitted via a community of like practitioners (Brown and

Duguid 2001: 200). Activity theory also argues that new ideas are often generated when there is a clash between the current pool of knowledge and the demands of a new situation (Brown and Duguid 1991:41-2; Orr 1998: 444) and further that radical innovation is inherently a group process and occurs best in heterogeneous groups (Leonard and Sensiper 1998: 118; Swan, Scarbrough et al. 2002: 478). Ganz's analysis of the strategic capacity of the leadership team of the United Farm Workers' successful campaign to unionize California's farm workers in 1960s and 1970s tends to support these observations. Ganz outlines three factors that he believes develops the strategic capacity of trade union leaderships: salient knowledge, heuristic processes and motivation (Ganz 2000: 1011). *Salient knowledge* refers to the leaders' access to relevant information about the "operating environment" (Ganz 2000: 1012). Significantly, Ganz refers to "local knowledge" and information about the "domain" (Ganz 2000: 1012) in which the leaders are operating implying not static information but the rich understanding or a *feel* or *instinct* for the demands of the campaign. In this instance, Ganz attributed this superior salient knowledge to the leadership team's affinity with the mostly Mexican Catholic constituents in the workforce and their community (Ganz 2000: 1012).

Ganz's term *heuristic processes* is perhaps problematic in that it appears to conflate two separate processes. The first aspect is the impact of being confronted with a novel situation which enables reframing of situations which triggers the creative process and enables alternative explanations and pathways to be considered (Ganz 2000: 1012). This is similar to what Voss and Sherman might term a "shock" or "crisis" that jolts the union out of past practices and opens it up to new ideas (Voss and Sherman 2000: 309). The second aspect of Ganz's heuristic processes refers to the process by which a solution is devised. Here, Ganz emphasizes a "leadership team" (as opposed to an individual leader) with a diversity of backgrounds and perspectives. Ganz argues that the more different ideas are generated, "the greater the likelihood there will be good ones among them" (Ganz 2000: 1012); diverse viewpoints facilitated innovation. This second aspect of Ganz's heuristic processes can be explained drawing on Leonard and Sensiper's concept of "creative abrasion". Finally, *motivation* fuelled the persistence and energy required for the extra effort of acquire the skills and knowledge necessary to develop new ideas (Ganz 2000: 1014). Activity theory can therefore assist trade union strategy by helping to explain the process by which leadership

skills might be developed. An understanding of how skills are built may help to break union strategy research away from an over-emphasis on the individual skills of particular leaders and to build an appreciation of the inherently collective nature of strategic capacity.

2. Developing the strategic contribution of members

Activity theory also has much to contribute to researchers' observations that increased levels of democracy and membership participation is central to union effectiveness. As discussed in chapter two, many trade union researchers have argued that the key purpose of internal solidarity or democracy is that it builds membership commitment and the legitimacy of its demands (Hyman, 1997: 311, Levesque and Murray, 2002: 51). Is it possible there is something more going on here? Researchers have observed that effective union leaders and structures encourage the membership to "contribute their own knowledge and expertise" (Hyman 1997: 311). Membership experience and knowledge might therefore be added under Murray and Levesque's "internal solidarity" banner as an important contribution to the union's "power resources". As Barker et al. point out "leadership is exercised at all manner of levels and locations... and not only by those obviously designated as 'leaders'" (Barker et al 2001: 15-17 quoted in Hyman 2007: 5). Levesque and Murray raise the development of a critical, fragmented membership in a globalised environment as a challenge for the union movement. Is it possible that a critical membership of diverse opinion could also be seen as an important resource? With their higher levels of education and/or skills required in their workplace roles and their critical engagement with greater levels of information and ideas via the internet, the membership might be able to contribute inside intelligence on the workings of their company or other ideas that might enhance the responsiveness of the union. From a knowledge management perspective, the benefits of democracy therefore goes beyond shoring up membership involvement or commitment to incorporate enabling the generation of new ideas and the dissemination of information and understanding to enhance the union's strategic capacity.

Activity theory might also help to explain another quality to increased levels of democracy and membership participation, their relationships to other individuals or groups. As discussed in the previous chapter, the term social capital refers to the resources embedded

in relationships to other individuals or groups (Burt 2001: 32). Sociologists argue that the better connected an individual or group, the greater access they have to a broader range of opportunities and resources. Jarley has enlisted the theory of social capital to discuss how enhancing this quality might contribute to union renewal (Jarley 2005: 1). However, Jarley enlists social capital to only limited effect. Jarley argues that unions should promote the networks and opportunities embedded in the union's social capital to encourage mutual aid, in-kind services among members and access to others social networks as potential sources of assistance (Jarley 2005: 17). The union therefore acts as a broker for members to access the resources of other members (Jarley 2005: 14). Jarley argues that currently the union movement's inability to build social capital locks members out of the union's discourse where "the union officer has a virtual information monopoly about the activities in the other departments" (Jarley 2005: 7).

However, it is likely that with unions in decline that the problem is the inverse: the union movement's inability to both build its own social capital and tap into the pre-existing social capital within a workplace cuts the union off from the rich understanding of the workplace of members and potential members. Unions, due to their lack of connectedness are on the outside trying to gauge the feelings and motivations of their members, to locate the issue that will inspire them and to develop strategy without the requisite inside information on how the employer operates. Jarley also argues that social capital builds an emotional bond among workers and between workers and their union which will enable them to unite against workplace injustice (Jarley 2005: 13). Similarly, Hyman argues that unions derive their "vitality from the networks of social relationships among the individuals who constitute the (actual or potential) membership and that the quality of their interpersonal or "sociable" relationships gives the union its human face and ultimately its capacity to act" (Hyman 2007: 9). Whilst emotional bonds and a sense of belonging are an essential component of the solidarity required to act, activity theory argues that social capital performs another important role. Interacting with the membership and encouraging interaction among them improves the union's capacity to act by enabling it to draw on the raft of skills of its membership and those it interacts with.

From a knowledge management perspective, a network of people is the mechanism which

enables the transmission of ideas; know how, tacit skills, a world view, the potential for the generation of new ideas and access to other communities of practice. Social and professional networks can form a conveyor belt through which information can flow forwards and backwards in a web of members, leaders, staff, potential members and supporters. For example, Ganz argues that the “sociocultural networks” of the United Farm Workers were central to their success (Ganz 2000: 1014). When it comes to reaching out to other unions and community organizations, the links and networks often already exist within the union organization (Levesque and Murray 2002: 60; Voss and Sherman 2003: 68). Therefore effective methods of encouraging membership participation can enhance the knowledge pool by tapping the connections members already have to draw in the knowledge and expertise from the broader community. This capacity was particularly critical to the success of the NTEU’s campaigns enabling it to draw on the broader community gaining at minimal cost lawyers, political economists, journalists, politicians and other unions among many others to boost their power at critical times. Knowledge management offers a more complete explanation for why increased democracy or internal solidarity has been shown to enhance union effectiveness: open discussion and clear flows of information boosts the union’s knowledge capital.

Trade union strategy research has emphasized the importance of membership education in promoting greater levels of participation (Levesque and Murray 2002: 53) or even to increase their capacity to run the union for themselves (Schenk 2003: 249). As Hyman points out: “Intelligence is in part an organizational matter: the extent to which unions and confederations possess specialist expertise in research, education and information-gathering, and the means to disseminate knowledge throughout the organization (which is to some degree a question of resources); but it is also (and perhaps more importantly) a matter of the degree to which, at all levels within union movements, knowledge is seen as an essential component of union power” (Hyman 2007: 198). However, if overwhelmingly union expertise is built on tacit skills, “know how” learned through practice what should unions teach their members and how? Activity theorists all agree that knowledge is best created and transmitted in an organization through dialogue and storytelling among like-minded community members (Van Maanen and Barley 1984: 300; Blackler 1995: 1039-40; Teece, Pisano et al. 1997: 15; Leonard and Sensiper 1998: 115). In her study of union

elections in the United States Bronfenbrenner's (2003: 41) findings would tend to support this view. She showed that those unions that won elections emphasized face to face contact with the membership through door-knocks and small meetings which both built leadership and educated members (Bronfenbrenner 2003: 41). She contrasts this approach with the indirect communication through glossy leaflets and mail-outs of unsuccessful campaigns (Bronfenbrenner 2003: 41). She argued that direct interaction with the membership enabled the union not just to counteract management's agenda but to formulate policy and slogans that best resonated with the membership (Bronfenbrenner 2003: 42). She discussed the approach of encouraging rank and file volunteers from other successful campaigns to speak directly to members and non-members in the campaign workplace works best (Bronfenbrenner 2003: 43). This is what knowledge management would call "sticking and leaking" (Brown and Duguid 2001: 204), that is information was readily transmitted from other volunteers who "spoke the same language" and could therefore speak directly to their shared experiences on the shop floor. There was a closer affiliation and so a more effective line of communication between workers from similar workplaces than from professional union leaders to workers. Therefore democracy and increased knowledge capital are mutually reinforcing: increased democracy increases the flow of information and ideas which makes the union better able to articulate and appeal to the issues of the membership which increases participation which further contributes to the flow of ideas.

3. Building the structures and process to maximize the relationships among the various layers of the union

The third factor in the development of effective union strategy is building the structures and processes that maximize the relationship among the various layers of the union. If, in line with Fairbrother's observations, union effectiveness comes from neither leadership nor membership but is about capitalizing on mutually supportive relations between layered levels of representation (Fairbrother, Williams et al. 2007: 34) then this third factor is perhaps the most critical. The observations of trade union renewal and knowledge management researchers appear to support each other on this important issue. From a knowledge management perspective, building the communities necessary for promoting

knowledge capital is an ongoing process where new insights are constantly being folded into collective understanding (Brown and Duguid 1991: 44; Blackler 1995: 1024) which occurs in both formal and informal settings (Brown and Duguid 1991: 44). As Dufour and Hege point out trade union “representative capacity” derives in part from formal institutional provisions but depends no less on the quality of the interrelationships between representatives and their constituents, on the responsiveness of representatives to the often individualized everyday concerns of workers, indeed their readiness to act as a kind of social worker in dealing with issues arising outside of work itself.” (Dufour and Hege (2002) quoted in Hyman 2007: 204). Using the language of social capital literature, “dense networks” built over time are favoured as they promote the trust, mutual cooperation, the easy circulation of resources and “generalized reciprocity norms” that encourages the offering of resources without immediate gain with the knowledge that benefits will be indirectly repaid within the network (Jarley 2005: 4). Therefore, ideally the processes and structures within the union should promote the formation of strong relationships which are flexible enough to enable the introduction of new ideas and which may take time and may occur in either formal or informal settings.

What kinds of structures and processes are ideal for encouraging the development of the formal and informal networks and communities considered ideal for creating and sharing knowledge? Knowledge Management researchers from all disciplines almost universally support a heterarchical structure. Researchers tend to endorse an organisational structure which maximizes autonomy and the freedom to innovate at the local level but with enough centralization to give this innovation strategic direction, avoid reinvention of the wheel and also to generalize positive approaches to other areas (Spender 2005: 102). Once again the observations of trade union researchers would appear to support this view. Research has shown that the most resilient union organisations are those that are both highly centralized but have also maintained strong organization at the local branch and ensure effective communication between the two (Kjelberg 1983 quoted in Hyman 1997: 313). The union’s central organization is able to provide information and strategy and the capacity to draw a disparate organization into coordinated action (Hyman 1997: 313) to effectively respond to a generally highly organized and centralized opponent. While as Fairbrother points out emphasis on local initiatives can enable and encourage local members to participate

(Fairbrother, Williams et al. 2007: 38).

However, again in line with the observations of activity theorists in their study of the potential limitations of communities of practice, a union structure made of disparate communities of this nature has the potential to inhibit the flow of information across the organization as a whole and may be prone to “group think”. Hyman’s observations of the union movement tend to support these observations. As Hyman points out, one challenge for this structure is that it relies on the willingness of local branches to align their own objectives to a broader collective interest (Hyman 1997: 313). The difficulty in doing this for local branches is that it at least implies the necessity to subjugate the particular interests or ambitions of the local membership in favour of national strategic objectives (Hyman 1997: 313). This places significant pressure on local leaders who will feel a strong pull to represent their local interests. Foregoing local interests in the interests of a broader strategic goal may threaten their legitimacy with their local constituents. In summary, both researchers in trade union strategy and activity theory would tend to agree that the optimal structure is a heterarchical structure with a local emphasis but with an element of centralization necessary for broader strategic co-ordination but with the acknowledgement that there are inherent challenges to this model. These observations inspire questions for investigation in the empirical study into the workings of the NTEU. What structures and processes in the NTEU enhance the sharing of knowledge and which ones might be considered to hamper it?

Towards a research methodology

The purpose of the above discussion has been to draw the observations of both the trade union strategy and knowledge management bodies of literature together to guide the development of a framework for the empirical research in this thesis. This thesis will focus on the three key factors that have been identified for a union’s capacity to develop effective union strategy: firstly, the strategic capacity of union leaders, secondly the engagement and contribution of union memberships and supporters and thirdly and perhaps most importantly, structures and processes that maximize the effectiveness of the relationship between the two. This empirical research project has analysed the minutes and reports of all meetings conducted by the NTEU during the period 1993 to 2005 related to the strategic

decisions made to negotiate the first four rounds of enterprise bargaining in the higher education sector. Whilst the project has of course required a trade union analysis to build an understanding of the context in which these meetings are occurring, the key goal of this thesis is to analyse the learning process undertaken by the NTEU. This thesis will therefore draw from the knowledge management literature, and particularly activity theory, discussed in chapter three and further developed in this chapter to build an understanding of how the NTEU learned to navigate enterprise bargaining.

When it comes to studying the first element, developing the strategic capacity of union *leaders*, the observations of some trade union literature but particularly researchers in the field of activity theory have highlighted the fact that the “know how” required to lead can only be built through experience and is inherently a collective process. The research encourages a focus not on the particular talents of individuals but on groups of people interacting to solve the problems generated by the context in which they are operating: communities of practice. Lessons learned are stored within these groups either consciously or unconsciously, codified or embodied, to over time develop a pool of know-how, a shared approach or world view, with which to approach the next problem that comes along. Activity theory insists that knowledge (or “knowing”) is a process not an object. Therefore codified information unearthed in formal and informal minutes and memos should be treated not just on face value but as artefacts that point to the *process* by which that information or idea was developed. Activity theory also indicates that understanding the way people learn in groups requires close scrutiny of metaphor, storytelling, shared meanings and ideology of which there may be only remnants in the documentation.

In analysing the second element of effective union strategy, the engagement and *contribution of the membership*, throughout this study there will be attempts to address the way in which the national leadership related to the broader membership. How effectively did the national leadership tap into the “know how” of its membership to formulate effective strategy. Unfortunately, this research cannot hope to investigate the discussions that occurred among many thousands of members at the branch level. However, one measure of how successfully the national leadership has engaged with the membership will be to look at membership uptake of campaigns, protests and industrial action. Particular

attention will also be paid to how the leadership communicates with the broader membership (face to face, glossy brochures, education campaigns, formal and informal gatherings) and attempt to interpret the effectiveness of these approaches.

The third aspect of the development of effective union strategy, structures and processes *that maximize the effectiveness of the relationship between the leadership and the membership*, will require a different approach. In chapter ten, this thesis will use the attendance list of the various meetings mentioned above to construct a social network, or visual image of the individuals and groups engaged in strategic decision making in NTEU at the national level. The remainder of this chapter is devoted to a brief discussion of social network theory and how it will be applied to this study. The theories discussed in this section will be enlisted in greater detail in chapter ten in the analysis of the empirical data.

Social network analysis has gained popularity in organizational studies (Wasserman, Scott et al. 2005: 1-2) which can be attributed to a heightened awareness of the role of interpersonal relationships, or social capital, on organizational performance. Social network analysis originated with anthropologists and sociologists who were concerned with the study of how interpersonal relationships impact on social issues such as access to resources and opportunities (Scott 2000: 7). The structure of the network of an organisation and indeed a whole society can therefore be designed to facilitate the flow of social capital or to impede it and further that certain individuals or groups within a structure will likely be privileged over others by virtue of their position within the structure (Burt 2001: 32). The unit of analysis for a social network study is not individuals or groups but the relationships between them (Pope and Lewis 2008: 447) which is visually represented in the network via “links” or lines connecting points (individuals) to generate a web of interactions. However, when measuring relationships actually what is being measured is an *attribute* of the relationship (Borgatti and Everett 1997: 243): the strength of a tie might measure degrees of influence or closeness of friendship. What then, do the ties represent in this research? The attribute of the ties measured in this study is the flow of “know how” (knowledge in all of its forms) within the NTEU that contributed to the development of union strategy.

Measuring the flow of 'know how' in a network

Using the observations of social network researchers, this study hopes to identify the elements of the NTEU's network structure that may have strengthened or weakened the ability of "know how" to be transmitted and adopted within the organization. Burt has researched two competing network models that are believed to generate social capital (2001: 31). One theory is that social capital is created by a closed network characterised by strongly interconnected elements (Burt 2001: 31). The second theory argues essentially the opposite which is that social capital is created in a looser structure in which there are many opportunities to broker connections among elements which would otherwise remain disconnected (Burt 2001: 31). The gap between two individuals or clusters which would otherwise remain separate is called a "structural hole" (Burt 2001: 31). Often individuals will act to fill these structural holes and act as "brokers" (or boundary spanners). Burt argues that both processes are at work in developing social capital within a network: the process of brokering a structural hole is the source of value added whilst closure is critical to realizing the potential of the value being added (Burt 2001: 31). In this way, Burt comes close to the central argument of this thesis which is that whilst day to day learning happens within communities of practice, it is also important to be feeding new ideas or approaches into this community or it will tend to become insular and prone to group think. What Burt alerts this research to is that there are structural implications for this process and that it is possible to assess factors that impact on an organisation's capacity to learn by analysing its network.

Centrality, power and influence

Related to the issue of information flow is the impact of power or influence within an organization. Network analysts believe that in the contest for ideas and influence within an organisation, success is related to an actor's relative position within the network. Freeman has linked three operational definitions of centrality to theoretical concepts of power or influence: **degree** (ability to communicate directly with others), **betweenness** (ability to control or restrict the communication of others) and **closeness** (ability to reach large numbers of actors with minimal reliance on intermediaries) (Mizruchi and Potts 1998: 355). However, more recent research has discovered a more complex relationship between

centrality and power. Whilst social network theory would argue that the most central actor is the most powerful, research has shown that it is often those with intermediate centrality (the brokers among various individuals and groups) that will be the most powerful as the most central actor may be reliant on the intermediaries for influence over others (Mizruchi and Potts 1998: 356). Privileged places in the network enable actors to act first on the information and puts them in a position of control over the diffusion of information to others (Burt 2001: 34). On the other end of the spectrum, the term “local dependency” is where one point is dependent on another point through which it connects to others (Scott 2000: 87). A peripheral player (a member with the lowest centrality) that is with only one point of contact to the network has high levels of dependency on that one point (Scott 2000: 88). In chapter ten, a network analysis of the NTEU to dissect the role that structural positions of relative power or influence might have on how “know how” flowed or was constrained within the organisation.

Elements of social network theory can also be used to analyse the nature of the NTEU enterprise bargaining network as a whole. *Density* describes the overall cohesion or interconnectedness (Scott 2000: 89) and *centralisation* refers to the overall cohesion or integration of the whole network towards a central focal point (Scott 2000: 82, 89). For example, does a network bind closely together with many interrelated ties towards a central focal point or is it perhaps made up of clusters of tight cliques only loosely connected to each other? What do these different structures say about how the organization operates? Cook, Emerson et al introduce another important concept “network vulnerability” (1983: 299). *Network vulnerability* measures the extent to which the network is beholden to key points or actors for the flow of resources (Cook, Emerson et al. 1983: 299). The network is therefore dependent on those key actors to hold it together and also potentially vulnerable to control by these key actors (Cook, Emerson et al. 1983: 299). In chapter ten, this thesis will enlist these theories to analyse the network as a whole as well as to chart the changes to the network of decision makers over time. What do the changes in the network over time represent? The structure of the network as a whole will be analysed to assess its impact on the flow of “know how” within the NTEU.

Summary

This empirical research project analyses the minutes and reports of all meetings conducted by the NTEU during the period 1993 to 2005 related to the strategic decisions made to negotiate the first four rounds of enterprise bargaining in the higher education sector. Using the insights gained from both trade union and knowledge management bodies of literature shapes the analysis of this data. By analysing the content of the minutes and reports this thesis builds an understanding of the decision making process and how this has enabled the NTEU to navigate enterprise bargaining. Chapters six, seven, eight and nine will therefore be a close qualitative analysis of rounds one, two, three and four of enterprise bargaining respectively to unlock the learning process undertaken by the national leadership and its interactions with the membership to respond to the challenges of each round. The research data has been organized in accordance with each individual enterprise bargaining round. Although this may lead to some “messiness” in terms of actual calendar dates as some rounds bled into the following round particularly as rounds got longer and more complex and dispersed across the sector, it is the most meaningful way to organize the information and is in line with the NTEU’s record keeping. Then in chapter ten, this empirical data will be approached from a different perspective to focus on the decision making structures within the NTEU to explore the flow of “know how” among the various layers of the organization and in particular between the leadership and the contribution of its membership.

Chapter Five:

The political economy of higher education 1993 to 2005

To build an understanding of the NTEU's strategic approach to enterprise bargaining during the period of 1993 to 2005 it is essential to first address the dramatic changes to the political economy in higher education. During the period studied higher education experienced a foundational shift in its political economy from a government funded, centrally co-ordinated system to a corporatized and decentralized system competing in the local and global market for fee paying students and industry investment. The corporatisation of higher education has had profound impacts on the nature of academic and general staff work on the campuses and in turn employment relations in the sector creating both challenges and opportunities for the NTEU. The purpose of this chapter therefore is to examine the changing political economy of higher education as a vital companion to understanding the NTEU's navigation of its turbulent and at times hostile employment relations.

The Dawkins revolution

The Dawkins revolution in higher education precipitated a tectonic shift in the political economy of higher education which would in turn have far reaching impacts on employment relations in the sector. In 1987 the Minister for Employment, Education and Training, John Dawkin's, Green Paper *Higher education: a policy discussion paper* (1987) announced a massive expansion of higher education. The goal was to increase university graduates from 80,000 to 125,000 over a fifteen year period (Marginson and Considine 2000: 30). To cope with this dramatic increase in student intake it was proposed to fold the 50 institutes of technology and colleges of advanced education in with the 20 existing universities to achieve economies of scale (Marginson and Considine 2000: 30; Marginson 2002: 409). The ratification of the *Dawkins White Paper on Higher Education: a policy statement* in July 1988 therefore unleashed a flurry of activity as universities sought to

increase their influence through mergers as well as to capitalise on Dawkin's generous capital grants and increased student allocations (Marginson and Considine 2000: 34). In the space of just four years, sixteen new universities were established through upgrading and mergers producing a total of 36 universities (Marginson and Considine 2000: 30; Marginson 2002: 409). To cope with the budgetary demands of the expansion of university places, students would be partially levied for the cost of their tuition (Marginson and Considine 2000: 28) under the HECS scheme. The Dawkins reforms therefore first introduced the concept of higher education as an *industry* (Marginson and Considine 2000: 30) where university places became a commodity for sale. As a result, a competitive relationship developed among institutions as they vied for increased revenue through local and international student intake (Marginson and Considine 2000: 28; Meek 2002: 260). The concept of education as a product that could be exported, particularly to the Asian market, also became the focus of policy discussion (Marginson and Considine 2000: 30).

The traditional status of universities as autonomous, sovereign institutions self-governed in the public interest which had remained intact even during the massive expansion under the Whitlam era (Marginson and Considine 2000: 24) was fundamentally challenged by Dawkins. The federal government oversaw not just the major operations of real estate deals and university mergers but also began to use discretionary funding to encourage corporate practices through performance targets and efficiency measures (Marginson and Considine 2000: 28; Meek 2002: 260). Competition led by professional executives, as opposed to the perceived haphazard, non-transparent and outmoded forms of direction such as collegiality, was the prescription for the perceived inefficiencies of the sector (Meek 2002: 254).

The Howard years

The election of the conservative Coalition government in 1996 marked the introduction of market forces to the campuses (Marginson and Considine 2000: 36). Whilst in some regards the Coalition's measures could be seen as an extension of the logic begun under Dawkins, in fact the Coalition's "market governance" thoroughly tilted the balance away from education as a service in the public interest towards a commodity guided by competition and income

generation (Marginson and Considine 2000: 37). Policy shifted from government directives to ensure a co-ordinated supply of skilled labour under Dawkins (Marginson and Considine 2000: 38) to an approach which would allow the demands of the open market to drive the sector. Market forces over time led to the industrialisation of academic life, carved up the university sector into strata of education providers where "prestige" became an important marketable commodity, encouraged the rise of market fundamentalism and executive power over academic and democratic governance and lastly led to the emergence of the role of Vice Chancellor as CEO at the head of each institution. Each of these issues will be discussed in turn below.

Market forces

Market forces were primarily driven by substantial declines in government funding which forced institutions to seek out alternative sources of revenue to fill the funding shortfall. Federal government funding of higher education fell from around 90% in the 1970s to late 1980s (de Zilwa 2005: 388) to 54% in 1997 (Marginson and Considine 2000: 56) to just 40% in 2003 (AVCC 29 April 2005). Student fees became the primary source of alternative revenue a trend actively encouraged by waves of government deregulation of student fees. Alongside its 1996 budget cuts to higher education, the Coalition enabled funded "over-enrolment" where universities could recoup at least some of the funding shortfall by allowing full fee paying places into courses which had already reached capacity (Marginson and Considine 2000: 58). In 1997 differential HECS was introduced where those programs more expensive to deliver and/or with higher expected graduates incomes paid substantially more than under the previous regime (de Zilwa 2005: 388). Under this scheme, fees rose by 92% for engineering and business students and 125% in law and medicine (Meek 2002: 263). Then in 1998, up to 25% of undergraduate places were opened up to domestic fee paying places (de Zilwa 2005: 389). Similarly, postgraduate study was opened up to fee paying coursework programs (Meek 2002: 260). The most dramatic change was the introduction of full-fee paying international and postgraduate places. As a result of the coalition's deregulation of the international student market, the number of international students rose from 17,248 in 1987 where most were at least partly supported by the Australian government and numbers were capped up to 72,183 in 1998 nearly all of

whom were full-fee paying students (Marginson and Considine 2000: 56).

The major impact of the declines in government funding coupled with successive rounds of deregulation initiatives was to cause fierce competition to develop among institutions for lucrative student markets, particularly international and postgraduate fee paying students. Another major impact was the over time, higher Education became big business. In 2000 alone, 107,622 international students generated \$3.7 billion of income to the national economy (Meek 2002: 263). According to the Department of Foreign Affairs and Training by 2006-7 education services was the third top export product after coal and iron in the Australian economy.

Another much less successful source of alternative revenue was to seek corporate investment into research and development. The marketisation of research and development was government driven with the implementation of research performance indicators such as the DEST points system, commercialisation incentive schemes and to encourage competition for research funding among universities and even with commercial entities and other government agencies. However, in comparison to other OECD countries, investment from the Australian private sector in higher education has remained low (Meek 2002: 270). Despite all of the market incentives the multinational companies that dominate the Australian economy tend to invest in Research and Development in their parent country (Meek 2002: 270) and there is not the extraordinary private wealth or culture of corporate largesse towards higher education enjoyed in the United States (Marginson 2002: 420).

Industrialisation of academic life

The net effect of market forces has been to ramp up workloads and to decrease the implicit rewards of university work with the “mass” treatment of students and intrusive performance measurement of administrative and research output. Dramatic increases in student intake were not matched by increases to funding to meet the increased demand with impacts on workloads, class sizes, administrative support, support for teaching and research and library resources and other infrastructure (de Zilwa 2005: 390). Student-staff ratios rose from 12 to 1 in 1983 (Marginson 2002: 416) up to 15 to 1 in 1996 to over 20 to 1

in 2006. Allowing the market to decide student intake and pricing meant that the impacts of cuts to government funding were unevenly distributed. For example, areas such as business and computing experienced a “mini-boom” (Marginson 2002: 416) claiming two thirds of international fee paying enrolments (Marginson 2002: 424) whilst arts faculties and the basic sciences on every campus went into decline. Restructures and redundancies became a feature of campus employment relations and campaigns to defend particular departments or areas adversely hit by market forces often ran alongside enterprise bargaining campaigns on each campus. Meanwhile, competition for research funding opportunities also led to inequalities in opportunities among staff and undermined the intrinsic rewards of research endeavour for all staff. In this way, market forces permeated all aspects of working life on the campuses. In contrast to the collegiality of negotiations in the pre-Dawkins/Coalition years, employment relations became increasingly hostile and budget driven with disputes over standard industrial issues, such as: workloads, job security and casualisation.

Carving up the sector

Market driven forces increased inequality not just among students and staff but among institutions (Marginson and Considine 2000: 38) with important impacts on the negotiation of enterprise bargaining. Marginson has developed five categories for Australian universities: Sandstone (oldest), Redbricks (post-second world war), gumtrees (founded 1960-75), unitechs (Colleges of Education made university during the Dawkins era) and New Universities (post 1986) (Marginson and Considine 2000: 189; de Zilwa 2005: 388). In 2001 the Sandstone and Redbricks (The Group of Eight plus an old, but poor cousin, University of Tasmania) combined enjoyed more than 46% of the total operating revenue in the sector with the remaining 53% of operating revenue divided (very unevenly) among twenty eight Gumtree, University of Technology and New Universities (using DETYA Higher Education Finance 2001 statistics compiled by de Zilwa 2005: 402-4). The stratification of the sector led to a wide disparity of strategic approaches within the sector with significant impacts on their approach to enterprise bargaining negotiations. For example the prestigious Group of Eights in competition with each other for premium staff in a fairly tight market for skilled labour (as well as to price poorer institutions out of the labour market), were amenable to

higher salaries. However, on the opposite end of this status spectrum, cash strapped campuses were increasingly ruthless in driving down wages and conditions generating bitter disputes on those campuses.

Marketing and prestige

Universities in competition with each other became increasingly aware of the importance of their public image in attracting both local and international student and research opportunities. In their analysis of the marketisation of the sector, Marginson and Considine refer to the resultant higher education form as “Enterprise Universities” to capture the complexity of the emergent product (2000: 5). Whilst some elements of the higher education sector could be considered “pure corporation” beholden to marketisation and corporatism in other areas of research and scholarship, independence of thought have survived but became beholden to competitive systems and performance evaluation (Marginson and Considine 2000: 5). For example, the non-corporate element of “prestige” remains at a premium in the enterprise university (Marginson and Considine 2000: 5). Elite universities having already established their prestigious status enjoyed a virtuous circle: prestige attracts research income, research high flyers, high paying students thereby increasing its prestige and so forth (Marginson 2002: 7). So long as a campus maintains its prestige the rest will follow (Marginson 2006: 7). Meanwhile, prestige by its very nature is available only to the few and those universities lower down the hierarchy, experienced a low prestige closed loop, battling head to head on an uneven playing field for increasingly scarce markets and resources (Marginson 2002: 7). The very real need to maintain prestige at the Group of Eight as well as the desire of other campuses to achieve it was a point of vulnerability for these campuses. Negotiating enterprise bargaining rounds exposed the uncomfortable contradiction between management’s cost-driven commercialism and the need to maintain institutional “prestige”. The contradiction for staff members was apparent: their institution offering sub-standard wages and conditions and with an adversarial approach to negotiations whilst marketing itself as an “elite” university.

The sector's focus on prestige also led to a prioritisation of the more prestigious areas of research output often at the expense of the less prestigious areas of teaching and student

welfare. As Marginson argues, current student dissatisfaction has little impact on prestige and does not factor into a potential student's choice of institution (Marginson 2006: 7) a feature exploited by managements at all strata of the campuses. The lack of prestige for teaching therefore had a negative impact on working conditions for those in the front line of increasingly mass based student education and administration. Larger class sizes, higher workloads and most dramatically the introduction of armies of casuals hired to teach reached epidemic proportions even in elite institutions. Again, the contradiction for staff working in these institutions was apparent: a "prestigious" university engaging in low cost, mass education.

Management fundamentalism

Despite the dramatic changes to university governance structures already implemented under Dawkins, the West Report, *Learning for Life* (1998) insisted that universities reorganise themselves in line with corporate models (Marginson and Considine 2000: 36, 61). The new model of governance which predominated asserted management prerogative over all other interests (O'Brien 1999: 83; Marginson and Considine 2000: 35). As Meek points out, in a marketised climate,

institutions compete with one another in attempting to interpret how best to take advantage of the financial incentives available and in so doing have been caught in a continuous process of attempting to second guess both the "market" and "government policy" (2002: 268)

Increasingly powerful executives were therefore given the responsibility for calculating the market and government policy and shaping the internal structures of the university accordingly (Marginson and Considine 2000: 9). Competition rather than fostering the intended innovation and diversity has had a tendency to undermine diversity as universities adopt similar strategies to compete for the same market, such as international students or research funding (Marginson 2002: 422; Meek 2002: 270). Also, as Marginson and Considine have argued, universities felt compelled to mirror corporate practices in order to better serve corporate interests where being "useful to business" was conflated with "being like business" (2000: 5). In reality the corporate practices adopted were not derived from

the corporate sector itself but from a distilled, artificial “ideal” (Marginson and Considine 2000: 4) a form of “management fundamentalism” (Marginson and Considine 2000: 61). This was similar to practices being implemented at the same time in the Australian public service (Meek 2002: 257). This last point is important as, where perhaps the corporate sector might be more pragmatic in its approach, the universities became beholden to the *idea* of managerialism as much as its practical application and with little appreciation of what might be unique about the university sector.

“The outcome is that universities in Australia seem less sure of themselves. They are constantly being reinvented, “re-engineered” in the corporate sense, yet less capable of genuine self-production than before. The danger is that by becoming a corporation, the Australian university is ceasing to be a university”

(Marginson 2002: 422-3).

Meanwhile, as outlined above, real corporate investment in Australian universities has remained low. The higher education sector has become corporatized but with minimal actual corporate investment. The core competency of the campus, its unique environment for teaching and research has been placed at risk for a “corporate ideal” that has not been delivered with predictable impacts on staff morale.

The rise of Executive power

By comparison to international standards, Australia has been at the extreme end of both loss of public funding, neo-liberalism and the resultant “destructive stand-off” between the academic and corporate cultures (Marginson 2002: 420). The proposed corporate model seemed to insist on executive power presiding in direct conflict with academic autonomy and decision making (Marginson and Considine 2000: 67). The predictable tension between academic staff and this new executive layer has been supported by empirical evidence. In a 1997 survey of attitudes of senior and middle managers in Australian universities, Meek and Wood discovered that the majority of executive officers (52.2%) felt that tenure was a major obstacle to change, 42% of senior executives believed that academic staff resistance to changes was an “impediment to effective management” and collegial governance had just 19 percent support among senior managers with 62.5% registered “disagree/strongly

disagree” to the statement “collegial decision making should take precedence over executive management” (Meek and Wood, 1997 discussed in Marginson and Considine 2000:65-6). Academic collegiality within disciplines, as a frequent site of at least passive resistance to managerial prerogative or change initiatives, was increasingly regarded by executives as a nuisance, a block to progress (Marginson and Considine 2000: 10).

A series of executive strategies were adopted to dilute the impact of scholarly debate, such as: restructuring small disciplines into larger cross-disciplinary schools, executive driven performance targets and the use of soft money in short term projects or research centres to undermine academic tenure (Marginson and Considine 2000: 10). Devolution gave school heads and deans “autonomy” but where the parameters for true decision making were artificially compressed within the framework set by executive strategic plans and most especially resource allocation with the effect of driving responsibility down the line whilst maintaining tight control (Marginson and Considine 2000: 10). Incidentally, Meek and Wood showed that in contrast to their executive overseers, 61% of school heads supported collegial governance (Meek and Wood, 1997 in Marginson and Considine 2000: 65).

As a result of these changes, decisions that were once the domain of collegial discussion in small spheres within disciplines or openly debated at Academic Board increasingly came to be made by Vice Chancellor’s advisory committees or other less transparent internal forces (Marginson and Considine 2000: 4). An increasing divide developed between decision makers and those engaged in the core business of the university, teaching and research (Marginson and Considine 2000: 9) raising issues of “institutional autonomy” and “academic freedom” (Meek and Wood 1997: 53), university governance and collegiality.

The cult of the Vice Chancellor

The marketisation and globalisation of higher education have also allowed for the concentration of power at the head of each institution (Marginson and Considine 2000: 72). The cult of the Vice Chancellor emerged; in many places rebadged “president” or “Chief Executive Officer” in line with industry counterparts (Marginson and Considine 2000: 72). Vice Chancellors in this environment took on not just executive powers but were charged with defining their university in line with their personal vision (Marginson and Considine 2000: 74) and used their authority over funding to develop new positions, new units and,

like their government masters, use performance measures and discretionary funding to shape the behaviours of faculties, schools and disciplines (Marginson and Considine 2000: 72). Management strategy at the institutional level therefore is overwhelmingly hierarchical; the personal vision and ideology and even personality of the Vice Chancellor at each campus is a major determinant in management strategy. Each campus therefore became more and more distinctive defined in line with the idiosyncrasies of its Vice Chancellor and senior management culture. By the early 2000s, most Vice Chancellors were appointed from outside of their institutions, the university sector favouring their detachment from the networks and cultures of the institution (Marginson 2002: 421). Moreover, Vice Chancellors tend to surround themselves with a largely unaccountable “court” of advisors who have no formal status on any of the governing boards of the campus but who exercise considerable influence (Marginson and Considine 2000: 87). In this way, senior management have become increasingly centralised and detached (Marginson 2002: 421).

This chapter has provided an overview of the rapid pace of the changes to the political economy of higher education since the Dawkins reforms. Although the Dawkins “revolution” transformed the university sector, arguably the true revolution has been the impact of market forces. Market forces has lead to: the carving up of the sector along a spectrum of “elite” to “non-elite”, fierce competition for markets and resources among institutions, the rise of market fundamentalism and the emergence of centralised executive power concentrated around the Vice Chancellor. Market forces have in turn driven the industrialisation of academic work, casualisation, increased workloads for all staff and a loss of engagement of staff in decision making. Understanding this process is vital information for analysing the many challenges that beset the NTEU during the period of 1993 to 2005. As this thesis moves to discuss the NTEU’s navigation of each round of enterprise bargaining in the sector, the various impacts of market forces discussed above will become evident. The overall impact for the NTEU was to generate a progressively hostile and turbulent employment relations environment. The decentralisation of the sector in particular placed considerable strain on the NTEU’s ability to strategize at the national level as each campus became more and more distinctive both in terms of management strategy and of financial status.

Chapter Six

The formation of the NTEU and the introduction of enterprise bargaining

The NTEU formed in 1993 emerged in the heat of the Dawkins revolution of higher education and at a time when the Australian industrial relations system was moving towards enterprise bargaining. The decisions made and ideas generated to cope with these changes during the formative years of the NTEU had longstanding impacts on the NTEU's strategic approach to enterprise bargaining, its structure and personnel and in turn the way in which knowledge was created and shared in the organisation. As O'Brien points out,

"The behaviour of unions can be understood as combining elements of explicit strategy that involves the setting of clear objectives and the development of deliberate approaches to their achievement with more implicit adjustments being made along the way. This process of continuous adjustment produces emerging strategies that remain focused on the objective" (1999: 81).

In this way explicit, implicit and emergent strategy are woven together in policy formulation and implementation. A key focus of this chapter is to "unweave" these strands to analyse the strategic decision making of national officers in the NTEU, the process with which decisions were made and future paths determined during the early years of the NTEU. Using the archived minutes and memos of the NTEU National Executive in the years 1993 to 1995, this chapter aims to chart the key innovations of round one and their origins, to map the flow of information and the emergence of key individuals and communities of practice as the NTEU navigated this very turbulent period in its history. The first half of this chapter charts chronologically the NTEU's attempts to navigate the dramatic changes in the sector leading up to the introduction of enterprise bargaining. The second half of this chapter returns to look at this same period enlisting the observations of the trade union strategy and knowledge management literature to analyse the learning process the NTEU underwent at this time.

The Dawkins White Paper

One of the goals of the Dawkins White Paper legislation was to bring academic conditions into the mainstream industrial relations arena (O'Brien 2003: 39). Before Dawkins, Australian academic salaries had been uniform across the sector and in 1973 the Academic Salaries Tribunal was established to regulate a federal wage fixing system (Meek and Wood 1997: 50). Academic working conditions were determined at each individual institution through collegial and direct negotiations with Vice Chancellors and senior managers. Academics were represented on each campus by one of the NTEU's precursor organisations, Federated Australian University Staff Association (FAUSA) which was a federation of institutional staff associations, not an industrial body, and the outcomes were not registered as industrial agreements. In 1988, FAUSA (along with Union of Australian College Academics (UACA) and the Australian Teachers Union) was a party to the first industrial award for academic staff, the Australian Universities' Academic Staff (Conditions of Employment) Award which became known as the "Second Tier Wage Agreement Award" under the Accord (Meek and Wood 1997: 50-1; O'Brien 2003: 37). This was the first major system-wide regulation of university employment. The other two parties to this agreement were the federal government and the Australian Higher Education Industry Association (AHEIA), the Vice Chancellor's organisation.

The Dawkins White Paper specifically targeted the senior, tenured academic: "over the next two years each institution should double the proportion of non-continuing employment load at senior lecturer level and above (excluding 'research only' staff)" (Dawkins 1988: 109). Taken alongside the Paper's emphasis on "early retirement" provisions (with the government advancing \$17.7million in 1988 to assist its early retirement drive), "redundancy" and "unsatisfactory performance" and "flexible hierarchies" (Dawkins 1988: 110-1), the implications were clear; the traditional model of securely employed, tenured academic was to be "modernised" in line with other sectors. The White Paper also made the first steps towards deregulating academic salaries. Salary flexibility enabled above award wages to be offered in recognition of the competitive market for highly skilled staff (Dawkins 1988: 112). Negotiations regarding the proposed changes to the award involved the government, AHEIA, FAUSA and UACA which covered academics in the former colleges

(O'Brien 2003: 41). FAUSA and UACA took united industrial action with a national stop work meeting which made the decision to place bans on the transmission of final results in universities (O'Brien 2003: 42). Although the prospect of an amalgamation had been flagged as early as 1985 following a coverage dispute at Curtin University (O'Brien 2003: 37), the united industrial action put the amalgamation of FAUSA and UACA firmly on the agenda. This was the first time that FAUSA had engaged in industrial action and although industrial action was not new to UACA members the benefit of united action with academics in the larger, established universities was obvious (O'Brien 2003: 42). The outcome of these negotiations was the 1991 Award Restructuring Agreement which codified career structures for established and emerging universities and placed a series of caps and limitations on the employment of non-continuing (untenured) academics as well as measures to resist institutional discretion on redundancies, redeployment and dismissals (O'Brien 2003).

The formation of the NTEU

The regulation of academic labour under the Dawkin's White Paper was the primary impetus for the formation of the NTEU which was created out of a series of coincidences of necessity (O'Brien 2003: 37). The NTEU was formed in 1993 through the amalgamation of five associations with very different professional cultures and industrial approaches. Many of the features and characteristics both of the individual associations themselves and of the process of negotiation and compromise required for the amalgamation became embedded in the union and played a determining role in the union's strategic direction. FAUSA and UACA were the major players. They were joined by the Australian Colleges and University Staff Association (ACUSA) (which included general staff in Victoria), the Australian Teachers Union (ATU) and in later years by a miscellany of general staff unions (O'Brien 1999: 82).

In 1989, FAUSA had around 9,000 members nationally and had nationally registered coverage of all academics in the traditional university sector (O'Brien 1999: 82). FAUSA had limited industrial experience due to its origins as a staff association (O'Brien 2003: 35). FAUSA's structure was focused at the individual branch level with high levels of branch autonomy (O'Brien 2003: 40). UACA had around 7-8000 members and had coverage of professional and teaching staff from the colleges of advanced education (O'Brien 1999: 82).

Colleges of advanced education were state-based institutions which were closely regulated by their respective state governments (O'Brien 2003: 40). UACA therefore had a different approach to employment relations, with extensive experience in industrial negotiation with external bodies for wages and conditions and the resulting agreements were registered as awards at the state level (O'Brien 2003: 40). Similar to FAUSA, the College sector also had federation of college based staff associations, the Federal Council of Academics (FCA) (O'Brien 2003: 40). The FCA was not nationally registered and had no tradition of acting at a national level (O'Brien 2003: 40).

With Dawkins' "unified national system" of higher education drawing the colleges into the university system, FAUSA and UACA were forced to rethink their strategy (O'Brien 2003: 38) and preliminary discussions towards amalgamation began. For FAUSA, the new national system, merging universities with colleges, threatened to dilute their research-based university work and undermine the elite nature of their employers' institutions (O'Brien 2003: 37). These concerns were bolstered by a real fear that universities would lose their research-based funding supplement and would experience increased competition for research funding if colleges became part of the university sector (O'Brien 2003: 37). On the positive side, FAUSA enjoyed federal coverage of all university academics, therefore opening up opportunities for recruitment and expansion in the newly formed universities (O'Brien 2003: 37). The legislation meanwhile threw UACA into crisis. The state-based UACA had a strong presence in the colleges but moving to a federal system required that UACA have federal registration. UACA's best option was to graft itself to a national body. The obvious choice was to amalgamate with FAUSA. Another advantage of joining FAUSA was the benefit of uniting with a body whose members had much higher wages and conditions and access to research funding (O'Brien 2003: 37). The decision was uncontroversial with a majority voting to seek amalgamation at the UACA Council in September 1986 (O'Brien 2003: 37). There was much more resistance from FAUSA members, many of whom saw merging with college staff as entrenching the loss of prestige and therefore risked membership losses (O'Brien 2003: 38).

The amalgamation of FAUSA and UACA and then the folding in of smaller organisations all left their mark on the perhaps unusual structure of the NTEU with its national, branch and

division offices as well as contributing their own cultures and experience to the mix. At the time of amalgamation, FAUSA was clearly the dominant force with coverage of all academics in universities whilst UACA only had jurisdiction over the fast disappearing college sector (O'Brien 2003: 42). FAUSA's dominance is reflected in the relative autonomy of branches as well as the collegial "staff association" model over the industrial strategy which would dominate the NTEU for many years (O'Brien 2003: 42). The autonomous branch based structure has had major implications for strategy, democracy and knowledge management within the NTEU.

The Division, or state-based, structure within the NTEU is also a product of amalgamation. In a sector which is predominantly governed by enterprise level managements or by the federal government, the Division structure is a residual component of UACA's state based system in Victoria (which was UACA's stronghold with 45% of its membership) and FAUSA's stronghold in NSW (with 40% of its membership) and its membership of a state based organisation with UACA called the Academics Union of NSW (O'Brien 2003: 43). In South Australia, there was conflict between UACA and FAUSA representatives. The compromised result that UACA's state based presence remained with a UACA General Secretary but under the insistence of FAUSA representatives this was allowable only on the understanding that power and autonomy remain at the branch level with a FAUSA leadership. In this way, the branch and division structures and their composite cultures were an emergent product resulting from the decisions and compromises reached during the process of amalgamation. In the meantime, the NTEU (and its constituent unions) had to respond to the industrial and political pressures of the Dawkins reforms (O'Brien 2003: 38) and in particular the confrontational tactics of the AHEIA.

The Second Tier Dispute

On 26 August 1993, the AHEIA lodged an application to the AIRC proposing major amendments to the "Second Tier Award" without prior consultation with FAUSA. The employers sought major changes to academic dismissal, disciplinary and redundancy procedures in line with the private sector (NTEU NE Minutes 25 October 1993). This move represented the first serious, national challenge to academic tenure leading to the NTEU's

first dispute, the “Second Tier dispute”. FAUSA and UACA had received early warning of AHEIA plans via a leaked document and on this basis called mass meetings of academics in May 1993 which endorsed an industrial campaign (NTEU campaign flyer October 1993). At issue was the defence of tenure as vital to the academic profession and academic freedom of expression (NTEU NE Minutes 25 October 1993: 4). The NTEU demanded that academic peers be involved in any assessment of “unsatisfactory performance” or “serious misconduct” and argued that private sector provisions for unsatisfactory performance, misconduct and redundancy were inappropriate to the academic environment (NTEU NE Minutes 25 October 1993: 4). FAUSA notified a dispute with the AHEIA and plans were well underway for a 24 hour national strike scheduled for mid October when discussions began about the formation of the NTEU in August 1993 (NTEU Transitional Executive minutes 26 August 1993). Therefore the minutes of the informal meeting of the NTEU Transitional Executive 26 August 1993 had two major agenda items: primarily discussions around the proposed structure, administration and resource allocation for the NTEU and the steps necessary for amalgamation and secondly plans for the national strike and negotiations around the Second Tier Dispute (NTEU NE Minutes 25 October 1993). As a result the NTEU although only officially formed on 1 October, 1993, conducted its first national strike on 14 October of that year. Reflecting the transitional nature of the new NTEU, resolutions in support of the strike day were carried at the NTEU National Executive as well as both UACA and FAUSA Annual General meetings (NTEU NE Minutes 25 October 1993).

Focusing on national strategic decision making, three key issues arise out of the NTEU’s first dispute, the Second Tier Dispute: the formation of the National Executive, the emergence of a culture of democratic dialogue between the national body and branches and divisions and finally an entrenched policy commitment by leading figures in the NTEU to the preservation of a uniform, national standard of wages and conditions for academic staff. With the introduction of enterprise bargaining, still more innovations were folded into the mix. Each will be examined in detail below.

The National Executive

The NTEU national executive was initially formed to oversee the murky process of

amalgamation but morphed into the steering committee for the Second Tier Dispute. It had proportional representation from all of the five constituent organisations: FAUSA, UACA, ACUSA and two very small organisations, a federation of college staff associations in Queensland (QAASCAE) and a union covering senior general staff with 130, the Australian National University Administrative and Allied Officers Association (ANUAAO) (O'Brien 2003: 43). The National Executive was also the steering committee for the Second Tier Dispute. The National Executive nominated a Secretariat from its ranks with representatives from the various constituent unions: a president (FAUSA), three vice presidents (FAUSA, UACA and ACUSA) and two joint secretaries (UACA and ACUSA) (NTEU NE Minutes 25 October 1993: 1). The secretariat was the formal negotiators with the AHEIA and therefore the National Executive was the conveyor between the negotiators and representatives of the NTEU membership around the country. The National Executive in consultation with branch and division representatives set the parameters for what was to be negotiated with the AHEIA (NTEU NE Minutes 25 October 1993: 4).

Democracy in decision making

Another important development out of the Second Tier Dispute was a thoroughgoing internal debate about the importance of branch and division consultation in National Executive decision making and an insistence on consensus decision-making wherever practicable. The 14 October strike was well supported but did little to shift the AHEIA and so the National Executive increased the pressure by initiating a nationwide ban on the transmission of student examination results (NTEU NE Minutes 25 October 1993: 3). Despite the bans, the AHEIA proved intransigent and the AIRC was unlikely to arbitrate while industrial action was still in place (NTEU NE teleconf Minutes 12 November 1993). The Commission insisted on the lifting of the bans to enable further conciliation but had also made substantial concessions in the NTEU's favour (NTEU NE teleconf minutes 15 November 1993) at a teleconference meeting of 12 November, the NTEU National Executive faced its first controversial decision, whether or not to lift the bans (NTEU NE teleconf Minutes 12 November 1993). It became clear during the teleconference that those in favour of lifting the bans "had the numbers". The chair of the executive (FAUSA) who was also in favour of lifting the bans, recognising the majority support for lifting the bans moved

quickly to a vote (NTEU NE teleconf Minutes 12 November 1993). However, Graham McCulloch (UACA), joint national secretary, was opposed to lifting the bans and put a procedural motion to the meeting in an attempt to postpone the decision. The procedural motion was lost and in a divided vote with not all NE participants present the Executive voted to lift the bans (NTEU NE teleconf Minutes 12 November 1993). This incident sparked an intense internal debate about democratic decision making.

From an exchange of letters following this decision it is clear it was deeply controversial both in terms of process and the decision itself. UACA representatives with experience in industrial action knew that to lift the bans was no straightforward matter as it required mass meetings of members at each branch and division. The important lesson drawn from this is reflected in a letter by Graham McCulloch which insisted on an approach “eschewing the use of numbers” and based on a “reasonable degree of consensus” (McCulloch 18 November 1993). A letter from Ted Murphy (UACA), Secretary of the Victorian Division of the NTEU, explicitly pointed out the importance of democratic legitimacy:

“It will be a difficult choice for members whether to accept the recommendation to lift the bans. This difficulty will only be exacerbated now given the fact that members will be suspicious of the process followed in arriving at that recommendation” and argued for a “major shift in approach to internal decision-making for the Victorian Division to have confidence in the federal organisation’s capacity for proper political management of important industrial disputes”

(Murphy 15 November 1993).

The teleconference was discussed at length at the next face-to-face National Executive and to codify the lesson into policy, a very prescriptive “Standing Orders for Teleconference Procedures” motion was carried (NTEU NE teleconf Minutes 8 December 1993). Meanwhile, by the end of 1993 conciliation with the AHEIA over the Second Tier Dispute had reached an impasse and with the end of the academic year and Christmas shutdown of the campuses approaching further industrial action was not viable. The dispute proved intractable and negotiations stretched into early 1995 (NTEU NE minutes 7&8 April 1995).

National cohesion to maintain uniform wages and conditions

The Second Tier Dispute enshrined the NTEU's commitment to a nationally negotiated award for all academics across the sector into NTEU policy. It did so not only amongst the National Executive but as a collective goal of the membership who had taken protracted industrial action in its defence. This policy was also in line with the traditional opinions of the NTEU's constituent organisations, as Grahame McCulloch pointed out in a letter to the NTEU leadership: "The NTEU union in their earlier FAUSA, UACA and ACUSA garbs opposed the introduction of this system [enterprise bargaining] but we have been rolled!!" (McCulloch 23 December 1993). This shared conviction among key players that the best way to defend academic and general staff wages and conditions was through a national award system greatly enhanced the national unity of the NTEU. The NTEU's goal to codify and enshrine conditions (particularly very vulnerable academic conditions) into a national standard in a context of fragmentation of both the sector (under the Dawkins' White Paper reforms) and the industrial relations environment (with the introduction of the Industrial Relations Reforms 1993) was the tacitly understood purpose of the NTEU National Executive.

The NTEU was being both pushed and pulled by the industrial relations legislation of the time. Whilst the NTEU was campaigning to defend current award conditions and to attempt to codify and protect non-registered academic conditions into an award the award system itself was being disbanded. The first moves towards Enterprise Bargaining in Australia started in March 1987 when the Commission announced the Accord Mark III recommending a two-tiered system of national wage fixing alongside a second tier of decentralised award-by-award or industry-by-industry wage negotiation (Dabscheck 1995: 32). The NTEU was formed the same year as the announcement of the 1993 Industrial Relations Reforms (which took effect on 30 March 1994) which aimed to make provision for the expansion of enterprise bargaining to all sectors in Australia.

The introduction of enterprise bargaining

The introduction of enterprise bargaining to the higher education sector in 1993-94 took place in phases. A National Framework Agreement (NFA) was to be struck between the

NTEU and AHEIA which was to form the scaffold for the negotiation of Local Framework Agreements (LFA) between the NTEU and Vice Chancellors at each institution. With the introduction of the 1993 Industrial Relations Reform Act, the LFAs became known as Enterprise Agreements. However, whilst the LFA assumed that the 'object' of negotiation was each university institution, this was not a given under enterprise bargaining where the "bargaining unit" was also up for negotiation. Preventing the further fracturing of institutions to smaller bargaining units was crucial to future negotiations.

In line with its policy, the NTEU's first and preferred line of defence for academic wages and conditions was via a national award either via defending the 1991 Award Restructuring Agreement in the Second Tier Dispute or via the National Framework Agreement. Both of these avenues involved going head to head with the AHEIA which was determined to see the dissolution of academic tenure in particular and the award provisions generally and to drive negotiations to the level of the enterprise. The NTEU's backup plan was to seek to codify remaining conditions through Local Framework Agreements and then as its least preferred method, Enterprise Agreements. The NTEU National Executive's explicit strategy therefore was to:

"preserve existing conditions of academic employment by incorporating those conditions into an award or awards which does not undermine existing conditions or existing awards and award standards. Conditions not incorporated into the award are to be codified by certified [enterprise] agreement."

(NTEU NE Minutes 8/9 April, 1994)

Negotiations for the National Framework Agreement commenced immediately following the Second Tier Dispute in November 1993. Mass meetings of FAUSA and UACA Councils outlined clear principles for NTEU negotiators which incorporated demands from the Second Tier Dispute:

- The Enterprise be defined as the whole institution
- Existing award standards form the minimum base for enterprise negotiations
- Release time for union negotiators be guaranteed
- Guaranteed right of involvement of professional industrial staff in local negotiations

- Enterprise bargaining not be used to reduce job security, including tenure levels
- Restrictions on double counting of productivity gains be confined to those productivity gains already made as a result of existing agreements.

(NTEU NE Minutes 15 December 1993)

The AHEIA, with its desire to disband the award protections and push negotiations to the local level, were intransigent at the national level, refusing to commit to protection of award conditions, job security, union rights or even that the “enterprise should be defined as the whole institution”. By the end of 1993, NTEU negotiators interpreted the situation as intractable; to shift the AHEIA would require a sustained national industrial campaign (McCulloch 23 December 1993). However, to sign the unsatisfactory Framework Agreement committed the NTEU to winning the remaining provisions site-by-site at the institution level during Enterprise Bargaining (McCulloch 23 December 1993). At the end of 1993, the National Executive was divided on whether to sign the NFA. A clear majority endorsed the signing, following membership endorsement, but a significant minority were opposed (McCulloch 23 December 1993). In line with the democratic protocols established during the Second Tier Dispute it was decided that a decision not be made until a full face-to-face National Executive meeting in early 1994. The National Executive instructed branches to organise meetings with the membership in February 1994 (McCulloch 23 December 1993).

Maintaining national discipline at this time was a challenge. The National Executive had prohibited branches from striking Local Framework Agreements until after the signing of the National Framework Agreement (NTEU NE Minutes 15 December 1993). However, frustrated with the poor outcomes and slow pace of negotiations (which also stalled the associated local pay rises), two branches, James Cook University and University of Western Australia, attempted to break ranks to sign their own LFAs before the National Framework had been finalised. Of course, in a climate where the AHEIA preferred the signing of LFAs over NFAs any breaks in the ranks acted to enhance the AHEIA’s argument (McCulloch 23 December 1993). The National Executive did not approve the Local Agreements, but apparently took the content of the local agreements back to the AHEIA. Over the Christmas break 1993, some concessions were achieved at the national negotiations, with the AHEIA

agreeing to more positive wording for union recognition, some agreement on counting of productivity in Agreement (as per UWA Local Agreement) and some commitment to salaries (Zetlin 27 January 1994).

However, the AHEIA refused to give any commitment to preserve current award conditions or any commitment to defining the “enterprise” as the “whole of the institution” (McCulloch 1 February 1994). In early 1994, the NTEU reluctantly signed a substandard NFA. Meanwhile, negotiations over the Second Tier dispute had also reached an impasse. As avenues for victories at the national level closed up, enterprise bargaining became the place where the NTEU would have to defend the sector and attempt to maintain national standards.

Several major innovations emerged out of the NTEU’s navigation of “round one” of enterprise bargaining: a strategy for maintaining a national pattern for negotiations, the emergence of a team of National Industrial Officers and a process for codifying and distributing industrial advice throughout the NTEU and the recommendation for a Single Bargaining Unit at each institution. Each will be discussed in detail below.

Maintaining a national pattern

Round one of enterprise bargaining was in fact a hybrid system with national agreements limiting the parameters for negotiations at the local level: wages were fixed by national negotiation directly with the federal government with a further 2% salary rise to be negotiated at the institution level. The NFA set a national standard for academic conditions which were reflected in Institutional (Local) Framework Agreements (NTEU NE Minutes 8/9 April, 1994). The demands of enterprise bargaining had also already been set by national negotiations. In line with its explicit strategy of maintaining current conditions (both certified award conditions and actual conditions, codified or otherwise, for academic staff) on the campuses, the NTEU’s primary objective in round one of enterprise bargaining was to preserve, campus by campus, the conditions which were falling through the cracks in negotiations at the national level. The 2% component of the wage rise was set intentionally low by the NTEU with the goal of maintaining national unity: those institutions which could

win higher outcomes were to be held down in solidarity with institutions where negotiations were more difficult (McCulloch 14 July 1994: 3). Keeping the institution's wage commitments low also upheld the NTEU's policy agenda that university wages were a Commonwealth government responsibility (McCulloch 14 July 1994: 4).

The desire to maintain a national standard encouraged a highly centralised approach during the first round. Almost all campuses commenced formal negotiations together in October 1994 and "model clauses" were drafted nationally and were to be served in a synchronised fashion at local institutions (NTEU NE Minutes 8/9 April, 1994). The National Executive developed very strict guidelines on timing, content (what was and was not up for negotiation) and even the sequence of clauses lodged with management at the local level (NTEU NE Minutes 8/9 April, 1994), limiting the discretion (and therefore margin for error) for negotiators as well as allowing the National Executive to maintain a national pattern across the sector. In preparation for subsequent rounds of enterprise bargaining, all agreements were to conclude on a common date: 31 December 1995 (McCulloch 14 July 1994: 4). The first national model clauses to be served to institutional managements was a request for "detailed financial information and other data relevant to enterprise bargaining" (NTEU NE Minutes 8/9 April, 1994). Responsibility for ensuring adherence to these strict parameters largely fell to paid industrial officers employed in the Divisions who conducted much of the actual bargaining. Branch based representatives were also free to develop local claims above the minimum standards set at the NTEU national level. This was particularly important for academic staff as there were no "comprehensive conditions code" and therefore no "codified floor to allow a judgement to be made on the no disadvantage test and no safety net of minimum standards as envisaged by the AIRC" (NTEU Industrial Matters Committee Minutes 17/18 March 1994).

To ensure that all campus agreements met the standard set by National Executive and that no agreement undermined current conditions a rigorous approval process was established. Branch executives with the support of their division secretary were required to supply a written report outlining how the agreement impacted on existing awards and conditions which was to be presented to a general meeting of members (McCulloch 14 July 1994). Finally, each enterprise agreement would be closely scrutinised by national officers and

feedback from the members meeting were to be presented to the National Executive for their consideration (McCulloch 14 July 1994). All enterprise agreements must be endorsed by the National Executive before local negotiators could sign the agreement (McCulloch 14 July 1994). In essence, the National Executive attempted to substitute itself for the AIRC and maintain a national system despite the fracturing of both the sector and the industrial relations legislation.

However, even with a co-ordinated strategy at the national level, high levels of expertise were required at the local level. Maintaining national unity required ensuring all branches and divisions had the expertise and the information needed to “hold the line” at the enterprise level. Furthermore, as well as achieving national goals, local negotiators were required to consult extensively with their memberships and were free to develop local claims in consultation with their local memberships above the minimum standards set at the NTEU national level. They were particularly encouraged to scoop up local (non-certified) actual conditions of academics either formally struck with Vice Chancellors or very vulnerable “custom and practice” arrangements and write them into a certified enterprise agreement (McCulloch 14 July 1994). This also allowed stronger branches to win better standards which other institutions could adopt in subsequent bargaining rounds (McCulloch 14 July 1994: 4).

In this new context, training staff and activists at the local level became a conscious, explicit priority of the National Executive. Staff and activists in the branches and divisions had expressed concern at their limited experience in negotiations of this kind (NTEU NE Minutes 8/9 April, 1994). A three day National Industrial Staff Development and Training Programme and a National Planning Conference for elected officials at National, Division and Branch level were convened covering all aspects of NTEU policy and enterprise bargaining negotiations (NTEU NE Minutes 12/13 August 1994). A document entitled “Enterprise Bargaining Strategy: Higher Education” was presented by Grahame McCulloch for discussion at the National Planning Conference, 28-30 June 1994 (McCulloch 14 July 1994). The strategy was refined and then more broadly distributed for comment (McCulloch 14 July 1994).

Linda Gale, from the National Industrial Unit, reported to National Executive the difficulties experienced by national, branch and division industrial officers in accessing reliable information and raised serious concerns about the flow of information among the layers of the union (NTEU NE Minutes 1 July 1994). The National Executive responded by establishing an Information Flow Working Party to both investigate the problem and develop recommendations (NTEU NE Minutes 1 July 1994). The recommendations of the Information Flow Working Party included: “memo identifiers”: clarification of who memos were to be distributed to, dates, and sequence identifiers, uniform document formats, updated membership lists, timely distribution of national executive minutes, better record keeping, clearer timelines (NTEU NE Minutes 12/13 August 1994). Ensuring that reliable advice was available to the branches and divisions demanded codification and timely distribution of information. This was an explicit priority ratified at National Executive: “that the distribution of written advice to branches and division be maintained as the primary information service on enterprise bargaining” (Industrial Report to the NE 18/19 February).

National Industrial Unit

In 1994 a highly skilled team of industrial officers rose to prominence in the national office. The National Industrial Unit was a product of amalgamation and drew together experienced industrial officers from the constituent organisations: four from FAUSA, two from UACA and one from ACUSA. The National Industrial Unit’s primary objective at this time, in line with the NTEU’s explicit strategic goal of maintaining national uniformity and protecting all current conditions, was to interrogate the various awards, agreements and legislation, scouring for loopholes and anticipating their implication at a time when both the sector and the industrial relations legislation were in flux.

The National Industrial Unit was also responsible for keeping industrial officers in the branch and division up to date. The National Industrial Unit kept the broader organisation informed of National Executive decisions as well as decisions coming out of the AIRC or disseminating developments from individual branches or divisions to the broader organisation to maintain national unity. The National Industrial Unit maintained connections with industrial officers by phone and in person, but they were also responsible for producing “industrial memos”.

In line with directives from the Information Flow Working Party these memos were meticulously sequentially numbered updates. In the branches and divisions, industrial staff were expected to maintain a folder of these memos in sequence to ensure that they had the most up-to-date information in writing. This flow of information was vital for industrial officers during enterprise bargaining negotiations. Reading the NTEU's archive of the industrial memos of 1994 (sequentially numbered from 1/94 to 114/94) indicate both the complexity of the issues generated by negotiations during this turbulent time as well as the pace of events with at times twice weekly updates addressing a vast range of issues including: award restructuring, coverage rights, unfair dismissals, retirement provisions, probation, general staff award negotiations, intellectual property rights and casual, contract and fractional staff conditions among many others.

The information flow was not one way. The National Industrial Officers also regularly issued calls for detailed information only available at branch or division level, such as an urgent call for information regarding tenure ratios at each institution, for a report to an AIRC hearing on tenure (NTEU Industrial Memo 30 March 1994). This information was used to win a ruling in the AIRC that several universities had not met their obligations under the 1991 Award Restructuring Agreement that 30% Level A academics have tenure (Weatherhead and Matheson, Industrial Memo 2 June 1994).

The major contribution made at the National Planning Conference was the bargaining agenda and model clauses which relied on the input of branches, division and national officers to ensure the strategy reflected the views of the broader membership (Crampton, R Industrial Memo 7 June 1994). Lastly, the National Industrial Unit produced the first "Enterprise Bargaining Kit" which was presented at the National Industrial Staff Development and Training Programme and a National Planning Conference, refined and then distributed to the branches and divisions. The Kit was developed to attempt to codify the skills and knowledge required to negotiate enterprise bargaining at each campus, covering: the history of awards and the introduction of enterprise bargaining, what should and should not be negotiated, information and process issues, "the bargaining unit", negotiating substantive Enterprise Agreements in accordance with national and local enterprise bargaining framework agreements (Industrial Report to the NE 12/13 August

1994).

Industrial Matters Committee

Most of the key initiatives of the enterprise bargaining strategy during round one were recommendations arising from the Industrial Matters Committee. The Industrial Matters Committee (originally a UACA/FCA institution) was adopted by the NTEU in 1994. It convened for two days and met four times a year. The Industrial Matters Committee acted as a sub-committee to the National Executive to focus on industrial issues. It was a small committee comprised of ten elected officers from the National Secretariat, National Executive as well as from branches and divisions. The National Industrial Unit also attended these meetings. The National Industrial Unit provided reports on all industrial issues to the Industrial Matters Committee to form the framework for discussion on the committee. Strategies developed in committee were then codified by the Industrial Unit and proposed to the National Executive for ratification, amendment or rejection and these decisions were then transmitted via the Industrial Unit out to campuses and divisions via "industrial memos".

One of the most significant innovations in the first round of bargaining for the future of enterprise bargaining was the recommendation of the Industrial Matters Committee for a Single Bargaining Unit (NTEU NE Minutes 8/9 April, 1994) of academics and general staff at each campus. The introduction of enterprise bargaining not only located the employment contract for academics at the institution level but also drew non-academic (general) staff away from a variety of state based awards (and their related state-based unions) and united them with academic staff into the same negotiations at the local level. The recommendation for a Single Bargaining Unit came from Ted Murphy (UACA), the Secretary of the Victorian Division. The NTEU in Victoria had coverage of general staff, having amalgamated with VCUSA, which included general staff members. Whilst this recommendation had obvious benefits for the Victorian Division, in order for a minority position to be adopted, there must be others within the organisation to act as receptors. Once again those who were grounded in the traditional trade union approach formed an alliance. The same individuals, Grahame McCulloch in particular, who had argued for the

incorporation of VCUSA into the NTEU (against significant opposition from some FAUSA representatives) during amalgamation (O'Brien 2003: 43) readily accepted the Single Bargaining Unit suggestion as a way to further entrench the growing involvement of general staff in the NTEU's future. Incorporating general staff opened up a vista of recruitment across the sector and also bolstered the trade union approach over FAUSA's "staff association" model. For key players at this time, a longer-term goal for the NTEU was the formation of an industry union with coverage of academic and general staff under the one agreement at all campuses.

Summary

The rest of this chapter returns to the discussion so far to analyse the learning process in the early years of the NTEU leading up to the introduction of enterprise bargaining. Firstly, this discussion will analyse the steep learning curve that the newly formed National Executive travelled as it quickly learned to work together whilst leading the national Second Tier Dispute. Secondly, the newly formed National Industrial Unit will be analysed to explore how this unit built the capacity to adapt to the major changes in the industrial relations legislation. The chapter will then discuss how information and "know how" was transmitted in the NTEU and then look at the sources of innovation that enabled it to adapt to changes in the external environment. This discussion will draw on the observations of both trade union strategy and knowledge management literature to guide this investigation.

Learning to work together

To build an understanding of the early years of the NTEU during amalgamation it is helpful to return to the trade union strategy discussion in chapter two of this thesis. Pocock's competence and culture (Pocock 2000: 21) and Hyman's efficacy (Hyman 1997: 311) have drawn attention to the "inner life" of the union. As Pocock argues developing strategy and successfully implementing it is not a linear process (2000:10); regardless of the merits of strategies established ultimately their success or otherwise depends on the organisation's ability to implement them. The amalgamation of the NTEU as with any union was a major undertaking involving the reallocation of resources, finances, office space, human resources

as well as delicate negotiations about where in the organisation power would reside. The successful implementation of the NTEU's strategy for campaigning around the Second Tier Dispute depended on the organisation's ability to quickly form itself into a workable organisation.

"Becoming a member" (Brown and Duguid 1991: 48) of the National Executive community of practice in these early days involved each individual trying to learn each other's languages and outlooks and to build a shared understanding of the context in which they were operating and the most appropriate way to respond. The question of ideology is relevant here as the NTEU grappled with its new identity: was the NTEU a staff association in line with FAUSA's tradition or a union in line with the union constituents or could it successfully operate as a hybrid of the two? The tension between the staff association and unionate approaches underpin many of the conflicts at this time and this debate will perhaps never be fully resolved. For the majority of FAUSA academics, including their National Executive representatives, the Second Tier Dispute was the first time they had ever taken industrial action representing a major challenge to its traditional goals and assumptions. Although the FAUSA staff association model was dominant at this stage in the NTEU's development (O'Brien 2003: 42) the conflict around the decision to call off the industrial action points to the emergent ties that were being forged among those with a traditional trade union approach within the NTEU. UACA representatives, Grahame McCulloch and Ted Murphy, reflecting their shared language and experience were able to form an alliance to oppose FAUSA's actions. On balance, despite the internal conflicts over democratic decision making and strategy and the pressures imposed by the Dispute, it is likely that the unifying impacts of a common enemy and a common goal outweighed the fracturing pressures of the amalgamation process. Also possible is that the forward momentum of the dispute enabled the organisation to continue to make progress despite internal conflicts and obstacles. This period will be revisited in chapter ten to analyse the development of this community of practice from a network perspective.

Building industrial expertise

To understand how the National Industrial Unit built the capacity to cope with the dramatic

changes to both the political economy and industrial relations legislation it is helpful to return to the activity theory literature discussed in chapter three. In one regard the unit was a homogenous group in that they were all industrial officers in another regard it is a heterogeneous group comprised of individuals drawn from very different cultures in their constituent organisations. FAUSA industrial officers with their base in the traditional university sector likely had a very different understanding of their roles than those from ACUSA and UACA with extensive experience in industrial legislation and in negotiating state based awards in the former college sector. However, navigating Dawkin's newly formed unified national system required an understanding of both the university and college environments and an appreciation of both the collegiate and industrial approaches to employment relations. "Becoming a member" of this community of practice (Brown and Duguid 1991: 48) may have been helped by the shared language of their occupation regarding awards and industrial law and clauses and legislation. Meanwhile, the "creative abrasion" (Leonard and Sensiper 1998: 118) of different experiences coming together may also have been a benefit in an environment demanding radical innovation and new ways of operating to respond to the turbulent environment.

To follow the recommendations of activity theorists, the key to understanding what knowledge is required to perform a role and how it is generated and transmitted is to focus on practice (Brown and Duguid, 2001: 200). Using Frenkel et al's three dimension of a work role: the predominant form of knowledge, the relative levels of creativity and type and level of skill (1995: 781) model to examine the types of knowledge required to perform the role of industrial officer at this time. Whilst the national industrial officer's role assumed high levels of explicit, theoretical knowledge in industrial law and an involved understanding of the complex award system, it also required a level of contextual knowledge to understand the application of this abstract knowledge to the particular demands of the evolving sector. The role demanded a high level of creativity to navigate heuristic or open ended problems and to predict their future implications. Finally, the skill level required was high levels of intellectual skills to synthesise information from many sources and anticipate their implications for the sector.

Enlisting Ellstrom's levels of learning taxonomy where the distinction is made between

"adaptive learning" involving routine or "reproductive" work and the higher level of "developmental learning" engaging active knowledge-based problem solving and hypothesising, testing and experimentation (2001: 423), the National Industrial Unit at this time enlisted largely the higher development modes. The National Industrial Unit was responsible for the national strategic direction of the industrial wing of the NTEU. Operating in a recently formed organisation and with a changing industrial relations and political economy in higher education, there was very little established practice for this unit to work with. Ellstrom's highest level, "creative learning", where the learner must define the problem from first principles and to attempt to make explicit that which is perhaps only partially understood so that assumptions can be tested and experimentation can take place (Ellstrom 2001: 424) would appear to be at a premium for the National Industrial Unit at this time. Whilst the individuals within this group brought high level of expertise from their constituent organisations but in turn as a group still higher levels of these skills were generated building up a repository of expertise and understanding of the industrial legislation and how it applied to a constantly evolving higher education sector. Key figures to emerge out of this climate are current National Industrial Officers, Ken McAlpine (ACUSA) and Eleanor Floyd (UACA) and the current Victorian Division senior industrial officer, Linda Gale (UACA).

Another major role of the National Industrial Unit was to keep the industrial network of the NTEU informed via industrial memos and reports. In knowledge management terms, important information was codified by the National Industrial Officers and transmitted between the National Executive and Industrial Officers and elected representatives throughout the NTEU. A community of practice therefore developed, not only in the immediate National Industrial Unit but with a network of practitioners throughout the organisation in regular contact with each other. In line with Brown and Duguid's suggestion that successful transfer of knowledge depends on the extent to which practices are similar (2001: 207) it is likely that although the individuals in this network were from various campuses and constituent organisations, the shared language of industrial legislation enabled the flow of information among them. Furthermore, the clauses and award rulings were by their nature easily codified and disseminated in the way that embodied "know how" is not. The recommendations of the Information Flow Working party established a

system for distributing and storing this codified data.

How was information and “know how” transmitted in the NTEU?

In knowledge management terms, two distinct though linked processes for the transmission of knowledge throughout the organisation. The first process was through codification which was largely undertaken by the National Industrial Unit. The second process was more complex, the sharing of embodied “know how” of individuals engaged in the formulation of strategy at the National Executive who were also responsible for implementing this strategy in the branches and divisions. Acting as boundary spanners these individuals learned from the experience of other National Executive or Industrial Matters Committee members and fed this “know how” into their activities at the branch and division level. In reverse, the experience and “know how” developed via working in the branch and division communities to implement national strategy also became embodied in these individuals and fed back into the committees at the national level. Presumably the success or otherwise of the strategic decisions made at the national level depended on the reliability and relevance of the information being provided.

In line with Tushman and Scanlon’s observations, the successful transmission of information from the external world to the internal organisation rests largely on the capability of the individual boundary spanner, their ability to interpret and translate the external and internal languages as well as the necessary status and connections internally to disseminate their observations (1981: 290-2). The unusual structure of the newly formed NTEU may have acted to enhance the status of elected branch and division representatives on National Executive. As O’Brien has pointed out in his study of the early years of the NTEU, branch leaderships in line with FAUSA traditions were both empowered and experienced a certain entitlement to defend their branch based interests within the national union structure which was further enhanced with the location of negotiations at the branch level under enterprise bargaining (O’Brien 1999: 83). Similarly, Division representatives in line with the UACA and ACUSA tradition were also accustomed to a level of status and were also more accustomed to the industrial relations framework being introduced to the university sector than their FAUSA colleagues. As, O’Brien points out any exercise of central power therefore

from the national leadership involved a process of “complicated negotiation” among the various layers of leadership in the NTEU (O'Brien 1999: 83). This dynamic was reflected in the deliberations of the National Executive itself as individuals bolstered by the status of their position contributed their opinions.

How were new ideas generated?

The impetus to develop new ideas and indeed to form a union in the first place, was overwhelmingly driven by the demands of the external environment. Within the NTEU, the heterogeneity of the amalgamation of different approaches and traditions was both a source of conflict but also likely enabled it to adapt. The combination of FAUSA's detailed understanding of the traditional university sector and the industrial expertise of the trade union constituents (of UACA and other trade unions from the college sector) enabled the NTEU to navigate both the changes to the political economy of the university sector as well as the dramatic changes to the industrial framework. Further, the “creative abrasion” (Leonard and Sensiper 1998: 118) generated by this heterogeneous group is the likely source of the radical innovation and flexibility necessary for the NTEU to adapt to the demands of a very turbulent environment.

As O'Brien has observed the formation of the NTEU involved the amalgamation of disparate organisations with attachments to a variety of decision making processes and structural forms (O'Brien 1999: 83). However, building on O'Brien's observations these residual processes and structures must serve a purpose in order to survive in the new environment; there had to be something for these different layers to do in order to maintain their relevance. The hybrid nature of industrial relations at the time of the NTEU's formation ensured the relevance of leadership at both the national and branch level. The National leadership and industrial team stamped their authority on the NTEU in steering the organisation at a national level through very turbulent times for the sector and in industrial relations. Key players, Grahame McCulloch, Ted Murphy and Ken McAlpine (among others) came to prominence in this period. With the introduction of enterprise bargaining, the new regulatory environment favoured branch negotiations which entrenched the power of local leaders. The enduring importance of the National secretariat, national executive and

national industrial officers can be attributed to the new role the national office took on in co-ordinating and monitoring and the activities in the branches during enterprise bargaining to ensure the implementation of national NTEU policy as ratified each year by the supreme governing body of the NTEU, National Council (established in 1994). The Divisions meanwhile took on primarily an administrative role at the state level. In later rounds they went on to become important knowledge sharing hubs for elected representatives and industrial officers.

Another source of innovation was the combination of branch-based “know how” of elected officers and the industrial expertise of the National Industrial Unit. Again, in line with Leonard and Sensiper’s observations that the “creative abrasion” caused when a heterogeneous group focussed on the one issue generates new ideas (Leonard and Sensiper 1998: 118) the industrial expertise of the Industrial Unit combined with political expertise and tacit understanding of the university sector of elected representatives from branches and divisions in the Industrial Matters Committee appears to have been particularly potent. Most of the key innovations in the NTEU’s enterprise bargaining strategy came out of the Industrial Matters Committee where individuals from different occupational perspectives were focused specifically on the industrial issues of award restructuring and the introduction of enterprise bargaining.

Conclusion

This chapter has used the archived minutes and memos of the NTEU to analyse its formative years and its first exposure to the enterprise bargaining framework. The NTEU was a child of the Dawkins revolution. The first major challenge for the NTEU was learning to work together as the amalgamation of a range of unions and associations brought with it individuals and groups with a range of ideologies and traditions. Attempts to forge new relationships whilst steering a national campaign to defeat amendments to the Second Tier award placed the newly formed National Executive under considerable pressure. This situation was both a source of conflict but equally a source of innovation as the combination of approaches focussed on the issue at hand generated new approaches. Whilst the newly formed NTEU may have been divided on many tactical issues, the shared conviction among key players that the best way to defend academic and general staff wages and conditions

was through a national award system greatly enhanced the national unity of the NTEU. These early years also saw the formation of the National Industrial Unit, which was the engine room for the industrial advice needed by the national organisation to cope with the dramatic changes to the industrial legislation. Also to emerge out of the National Industrial Unit at this time was an efficient system for codifying and disseminating industrial advice throughout the organisation. Finally, the unusual structure of the NTEU that emerged from amalgamation generated an interesting dynamic where empowered branch presidents acted as boundary spanners between the branches and the national leadership. This dual leadership appears to have played an important role in enabling the NTEU to cope with the hybrid nature of the industrial relations legislation at the time.

Chapter Seven

The Coalition Government and round two of enterprise bargaining

On 2 March 1996, John Howard led the Liberal Party in a landslide victory in the federal election and formed a coalition with the National Party led by Tim Fischer. After 13 years of Labor government, the Coalition's victory changed everything for the NTEU. The Coalition's Workplace Relations Bill fundamentally altered the industrial relations environment whilst a 5% federal budget cut to higher education was the forerunner for dramatic changes to the political economy of the sector. Attempts to implement the provisions of round one of enterprise bargaining, specifically the NTEU's wages strategy, were severely compromised by the Coalition victory. The NTEU found itself fighting on three different fronts: attempting to implement its wages strategy, building a campaign to defend public funding to the sector and combating the Workplace Relations Act. These three issues were entwined and underpin the NTEU's strategic decision making for round two of enterprise bargaining.

This chapter aims to identify the major innovations for round two and their origins as well as conducting an assessment of the extent to which the lessons learned during the NTEU's formation and round one of enterprise bargaining affected the NTEU's decision-making processes. Using the archived minutes and memos of the national office of the NTEU from the end of 1995 up to National Council 1996, this chapter picks up where the previous chapter left off and once again aims to trace the origins of the explicit, implicit and emergent strategies adopted and to identify key individuals and communities of practice engaged in this process to analyse how the NTEU navigated another turbulent period in its history. The first half of this chapter charts chronologically the NTEU's response to the Coalition government which underpinned policy making for round two of enterprise bargaining. The second half of this chapter enlists the observations of the trade union strategy and knowledge management literature to analyse the strategic decision making process and the individuals involved in the formulation of enterprise bargaining strategy for round two.

From round one to round two

Much of 1995 was spent negotiating with the federal government in an attempt to implement the NTEU's wages strategy. As discussed in the previous chapter, the introduction of enterprise bargaining to higher education was achieved in instalments. The first round of enterprise bargaining was a hybrid system with wages fixed by national negotiations directly with the federal government. In line with its belief that wages were the responsibility of the Commonwealth government, the NTEU determined that it would campaign for an 8% national wage increase in 1995 (and a further 7% in 1996 for a total of 15%) via the federal government and would pursue just 2% wage rises at the institution level. However, once again the NTEU was swimming against the tide. Whilst the 2% component was easily negotiated via enterprise bargaining, negotiations with the federal government for the 15% component hit a road block.

The NTEU's difficulties were threefold: the continued aggression of the AHEIA, the commonwealth government's refusal to fully index the wage rises and co-ordination difficulties with the five other unions (mostly general staff unions) which shared coverage of university staff (NTEU NE Minutes 17&18 November, 1995). These difficulties were compounded by the pending federal elections (NTEU NE minutes 17&18 November, 1995). In an attempt to end the fractious disputes among the unions, the ACTU convened a "Higher Education Round Table" involving the AMWU, CPSU and NTEU regarding the appropriate wage indexation for the sector. The ACTU weakened the NTEU's claim and settled on a figure of 8%. The National Executive of the NTEU reluctantly agreed to the 8% figure to be fully funded by the Commonwealth but resolved to pursue the outstanding 7% rise through an industrial campaign to commence mid-1996 (NTEU NE Minutes 17&18 November, 1995). However, following negotiations with the ACTU, the Minister for Employment, Education and Training, Simon Crean, made a final offer of just 5.6%. The NTEU once again reluctantly agreed but shortly after withdrew support when it transpired that the 5.6% would not be indexed by the federal government but financed by way of a loan to the institutions (NTEU Industrial Matters Committee Minutes 12/13 March, 1996).

Meanwhile, characteristically the National Industrial Unit used its established strategy of scouring for legal or industrial loopholes to find a way to win the NTEU wages strategy via a uniform national award in the Commission. The prospects for this strategy were becoming flimsy. A National Industrial Unit briefing paper explored the possibility of seeking an award variation as a “special case” to lock the government into the wages negotiation process (O'Sullivan 26-27 April, 1996). Under a fairly obscure provision of the Third Safety Net Adjustment and Section 150A Review, October 1995 (or the “October decision”): “2.1 (b) (ii) Where the parties remain in disagreement and the Commission considers there is no prospect of agreement being reached” the matter may be referred to the President who may then take it to the full bench of the Commission for consideration as a special case (O'Sullivan 26-27 April, 1996). However, even if the NTEU got that far and managed (against hope) to get a positive outcome only the NTEU and the universities as parties to the award would be bound by the Commission’s decision (O'Sullivan 26-27 April, 1996). The Commonwealth government would not be compelled to provide increased funding even if it was drawn into the dispute (O'Sullivan 26-27 April, 1996). The National Industrial Unit briefing paper finished by indicating that it would pursue the “special case” strategy and two other options: an “award variation to give effect to an Enterprise Agreement” (where a successful enterprise bargaining outcome at one institution could be written into an award and therefore generalised to the sector as a whole) and a “multi-employer enterprise agreement” (where the sector as a whole or significant parts of it sign up to the one enterprise agreement) (O'Sullivan 26-27 April, 1996). In the July meeting of the IMC the “special case” strategy was abandoned (NTEU Industrial Matters Committee Minutes 29/30 July 1996) however the “award variation” and “multi-employer enterprise agreement” strategies survived and were part of an important debate at National Council around enterprise bargaining strategy and the implications of the Coalition’s Workplace Relations Act which will be picked up later in this chapter.

In short, by the time the Coalition government won office, the NTEU had successfully implemented its round one strategy for securing employment conditions for the sector but the wages component of the strategy had stalled. In line with the hybrid nature of the legislation at the time, employment conditions had been negotiated during round one of enterprise bargaining and were also supported by comprehensive award conditions at the

federal level. Whilst enterprise agreements overrode award conditions, where the agreement was silent on an issue, the award prevailed. The NTEU was still securing significant gains at the award level in this way. However, the battle to secure a federal government funded wage rise for the sector set the scene for the NTEU's first major battle with the Coalition government.

The Coalition government

The election of the Coalition government forced the NTEU to regroup for the formulation of a new strategy. How did the NTEU adapt to this new terrain? The Industrial Matters Committee (IMC) met less than a fortnight after the Coalition's victory and recommended to National Executive immediate negotiations with the new minister for Employment, Education Training and Youth Affairs, Senator Amanda Vanstone, and that an industrial campaign be scheduled if and when the NTEU's wages demands were not met (NTEU Industrial Matters Committee Minutes 12/13 March, 1996). Following discussion with Minister Vanstone, it became clear to the NTEU that the federal government planned to renege on its pre-election promise to provide supplementation for wage rises in the sector (McCulloch 18 April 1996). In response, the IMC recommended a national industrial campaign. This proposal was discussed at a National Executive teleconference on 26 March 1996.

The National executive teleconference on 26 March 1996 made significant amendments to the IMC's recommendations. The original recommendation from the IMC (supported by the National Secretariat) was for a week of strike action in the last week of May involving 'rolling 48 hour stoppages' (NTEU Industrial Memo No 1 26 March 1996). However, an email correspondence (dated 22 March 1996) from Mike Donaldson (NSW Division Secretary) and Ros Bohringer (NSW Division representative and Sydney University branch committee member) to the National Executive argued against this proposal. Feeding information directly from the branch-based stop work meetings, the NSW Division email reported that while the branches strongly reinforced the 15% wage demand there was not yet significant support for strike action (email to NTEU NE teleconf Minutes 26 March 1996). The email argued that the IMC's recommended rolling 48 hour strike "was too extreme and would be

voted down by a majority of branches around the country” and that the NTEU needed to build the branches’ confidence towards action with a slow escalation from milder bans and stop works towards full scale industrial action (email to NTEU NE teleconf Minutes 26 March 1996). This opinion was apparently shared by other participants on the NTEU National Executive as reference to a 48 hour strike was removed from the final motion. The NSW Division email also recommended a national strategy that was flexible enough to allow branches “that want to go far to do it while encouraging every branch to join in to the limit of their capacities” (email to NTEU NE teleconf Minutes 26 March 1996). In essence the email argued that whilst the National Executive should be empowered to give broad strategic direction at the national level, decision making on the intricacies of how this would be enacted must be left to leaders at the Branch and Division level. It is likely that the NSW Division email once again reflected the opinions of other National Executive participants as the wording of the final motion “in light of feedback from Divisions and Branches since the IMC meeting” authorised the “immediate imposition of selective bans where desired by individual Branches and Divisions subject to approval by the National Officers” (NTEU Industrial Memo No 2 26 March 1996).

The NTEU’s campaign strategy involved reaching out to the broader higher education community to bolster support for its wages claim. Had the NTEU attempted to build a campaign with the limited demand of higher wages, in a sector already enjoying relatively high wages to other industries, they would be easily isolated. The NSW Division email argued for a two-pronged approach: industrial action to be accompanied by a “love our sector” campaign urging “alliance and coalition building in the sector (AVCC, students, other union, alumni) aimed at influencing public opinion by generating publicity (news, paid ads, radio interviews)” in defence of higher education as a whole (email to NTEU NE teleconf Minutes 26 March 1996). This recommendation was also adopted and the NTEU initiated the Education Alliance which was the umbrella organisation for the broader campaign, uniting the NTEU, Australian Vice-Chancellor’s Committee (AVCC), Council of Australian Postgraduates Association (CAPA), National Union of Students, the University Alumni and smaller professional academic associations into a common cause to defend the higher education sector from the Coalition’s policies (NTEU NE Minutes 7 June 1996). The NTEU’s “Pay Up Now” wages campaign involved an “open letter to the Community” which

positioned the NTEU's wages claim within the broader demand for greater commonwealth government funding for higher education (NTEU flyer 16 May, 1996).

As part of its alliance building, the NTEU also drafted a "bilateral agreement with the AVCC" (NTEU NE Minutes 7 June 1996). This strategy involved forming a pact with the AVCC in a co-ordinated approach to the federal government's forthcoming budget announcement (McCulloch 18 April 1996). The agreement, "Towards a Statement of Common AVCC/NTEU Goals and Work for 1996 and into 1997" acknowledged areas where the NTEU and the AVCC had common interests (NTEU NE Minutes 7 June 1996). It committed the NTEU and AVCC to support for an alliance of students, academics, unions and other bodies, and where appropriate to work together to influence the government and public opinion (NTEU NE Minutes 7 June 1996). The delicate negotiations involved in maintaining support from the AVCC was also written into the National Executive's final motion for the May week of industrial action. Conscious of the political sensitivities among Vice Chancellors and government officials developed during its lobbying campaign, the National Secretariat made its own amendments to the initial IMC recommendation regarding the need for selective use of bans within the context of the broader NTEU strategy,

"the selective and limited use of immediate bans can assist in strengthening NTEU's negotiating position with DETYA, the Minister and the AVCC but it is noted that ... wholesale or widespread bans at this stage would undermine NTEU's capacity to gain AVCC support as well as impeding progress in establishing a negotiating framework with the new Government"

(NTEU Industrial Memo No 1 26 March 1996).

In summary, the final agreed strategy for the NTEU May campaign involved building a broad consensus of support via the Education Alliance and a bilateral agreement with the AVCC as well as a week of industrial action with the details to be determined at the branch level but may involve strikes and bans. However, all branch based bans were to be ratified by the National Secretariat to ensure that they strengthened rather than undermined national negotiations with the Minister, DEETYA and the AVCC (NTEU Industrial Memo No 2 26 March 1996).

The strategy in action

Coming out of the various meetings and mobilizations around the country the NTEU settled on a 24 hour strike day on 30 May. Compliance for the strike day was over 90% and industrial action during the week included bans on teaching and on the preparation and submission of exam results and bans on international student applications (NTEU National Council papers 3-5 October, 1996). As per the recommendation of NSW Division in March, industrial action was conducted on the basis of capacity with weaker branches limiting their activity to united action with the stronger branches. The NTEU also reported significant increases in membership during the campaign that indicates support from their immediate constituency was high. The Education Alliance issued a joint press release and conducted a media conference on 28 May (NTEU NE Minutes 7 June 1996) to build support for the 30 May strike day and National Day of Action. The campaign was also supported by most Vice Chancellors and in Queensland, Vice Chancellors spoke at the lunchtime rallies (NTEU National Council papers 3-5 October, 1996). There were high turnouts of staff and students for the protest rallies around the country (totalling over 35,000 participants) and high levels of media coverage (NTEU NE Minutes 7 June 1996). The impact of the Higher Education Alliance campaign was also noticeable in public opinion. An AGB-McNair poll taken after the national strike showed that 89% respondents opposed cuts to higher education and 87% were against increasing students' contribution to study (NTEU National Council papers 3-5 October, 1996). A Newspoll survey published in the Higher Education supplement of the Australian (21 August, 1996) indicated that 67% of people were opposed to the cuts to university grants, 52% felt strongly about the level of funding for higher education and 63% opposed increases to HECS (The Australian, 21 August 1996). Only 18% supported cutting university funds and 55% of Coalition supporters were opposed to the funding cuts (The Australian, 21 August 1996).

Following the May week of action, the NSW NTEU Division put together a written proposal to National Executive for a continuation of the high profile campaign including a series of recommendations for further meetings, bans and media attracting events (NTEU NE Minutes 7 June 1996). The National Executive resolved to conduct another National Day

Action on 7 August including a stop-work rally in all capital cities and the possibility of 24 hour strikes where there was support in branches and divisions, a community campaign in regional campuses and continued work with the Higher Education Alliance (NTEU NE Minutes 7 June 1996).

The 7 August National Day of Action rallies were well supported with ongoing co-operation with student organisations and continued support from the AVCC which sponsored a half-page advertisement in *The Australian* (NTEU National Council papers 3-5 October, 1996). However, bans and strikes were sparse, concentrated in key institutions in NSW, the ACT and Brisbane (NTEU National Council papers 3-5 October, 1996) and reports from all divisions at the IMC just prior to the action indicated that the campaign was starting to wind down (NTEU Industrial Matters Committee Minutes 29/30 July 1996). Then on 9 August 1996, Amanda Vanstone announced that government funding to universities would be cut by 5% over three years (1997-99) (NTEU briefing paper). As part of this budget announcement, the government made it clear that it would “not be providing across-the-board supplementation for salary increases” although it would consider proposals “for one-off reform packages for individual institutions where major workplace practice breakthroughs at the enterprise level can be secured” (briefing paper tabled NTEU NE Minutes 23-24 August, 1996). That is, the federal government would assist universities to meet the cost of redundancies (Wells, Higher Education Supplement *The Australian*). The wages component of the federal government’s indexation was 1.3% for 1996 and 1997 a major shortfall on the NTEU’s hoped-for 15% (briefing paper tabled NTEU NE Minutes 23-24 August, 1996). There was no further avenue for pursuing a centralised wage increase. The NTEU wages strategy had been destroyed. Meanwhile, many institutions were reaching the expiry date for their “round one” enterprise agreements and pressure was mounting to commence the next round of bargaining (Industrial Report to the NE 23/24 August 1996). The future for the NTEU lay in securing pay rises via enterprise bargaining.

The Workplace Relations Act

Whilst the sector was tackling the Coalition’s policies on higher education, the introduction of the Workplace Relations Act was another factor which directed the NTEU away from the

hybrid mix of institution-based agreements supported by comprehensive awards and centralised wages towards full enterprise bargaining. The Workplace Relations Act confined awards to “minimum standards in 19 areas where any issues that lay outside of these 19 areas could only be incorporated into certified agreement or Australian Workplace Agreements” (Wells and Ryan). All “paid rates awards” were therefore to be converted to “minimum rates awards” and no further “paid rates awards” would be ratified (Wells and Ryan). The Act also introduced Australian Workplace Agreements (AWAs) or individual, stand alone, non union agreements which override all other awards and agreements and were required to meet a minimum standard which would no longer be determined by the AIRC but by the law courts (Wells and Ryan). Certified Agreements were no longer required to meet a “no disadvantage test” against an award and only required to meet the scant requirements as per an AWA (Wells and Ryan).

In response to the introduction of the Workplace Relations Act, an emergent group within the NTEU, the “Survival Committee”, acted as a catalyst for change. The NSW Division was well ahead of the rest of the organisation in realising the fundamental threat the Workplace Relations Act represented to the future of the NTEU. As the name of the committee implies the Survival Committee was formed in the recognition of “the increasingly hostile industrial environment” the NTEU was operating in. The Committee produced a paper which argued for urgent action to protect the NTEU (NTEU NSW Division Survival Committee paper 12 June 1996). The paper was tabled at the National Executive on 23 and 24 August 1996 alongside an IMC discussion paper on the same issue. The difference in tone and content of the two documents demonstrates a stark difference in outlook. For example, the Survival Committee paper argued for urgent action to educate members and to build resistance to AWAs (NTEU NSW Division Survival Committee paper 12 June 1996). By comparison, the IMC paper wondered if the NTEU should “assist members to negotiate AWAs” and whether it should “distinguish between members forced onto AWA’s and those that choose to be covered by an individual agreement” and “what fee level should be charged (to staff on AWAs)?” (NTEU NE minutes 23 September, 2003).

Whilst the Survival Committee saw that the Workplace Relations Act represented the fundamental demise of the award system, the IMC attempted to only slightly modify the

National Industrial Unit's entrenched strategy to preserve a national award system by proxy. The IMC's determination to prevent the breaking up of the national award led to an interesting debate regarding one of the Survival Committee's key recommendations. The Survival Committee argued that conditions listed as "non allowable matters" in all higher education awards must be immediately transferred from awards to certified agreements via enterprise bargaining (NTEU NSW Division Survival Committee paper 12 June 1996). However, the IMC was divided on this recommendation and delegates expressed concern about "linking the codification of award conditions with the next round enterprise bargaining which will involve wage negotiations" (Industrial Report to the NE 23/24 August 1996). The major concern centred around the breakup of the national award; that individual institutions would seek to vary the award, or "trade off" award conditions for payrises, and therefore undermine the national standard (IMC discussion paper: implications of workplace relations bill). In line with the work coming out of the National Industrial Unit, the IMC gutted the Survival Committee document's recommendation and converted it to a list of three options:

- The modification of award clauses to comply with Allowable Award Matters requirements
- Likely success of arguing "incidental" to the award
- Viability of gaining multi-employer agreements

(IMC discussion paper: implications of workplace relations bill)

In retrospect, the IMC's attempted strategy of resisting the Coalition's aggressive anti-union legislation by modifying awards so that comprehensive award conditions might somehow be accepted as "allowable matters" or slipped under the radar as "incidental" to the award seem naive today given what is known now about the impacts of the Workplace Relations Act. But the NTEU was navigating its way in uncharted territory and like many organisations in a time of high change it reverted back to strategies that had worked well for it in the past. Similarly, the prospect of convincing Vice Chancellors to unite to formulate a nationally agreed "multi-employer agreement" at the behest of the NTEU might seem

unimaginable given the competitive nature of the sector today. However, the NTEU at this time did have significant support with the AVCC as the “bilateral agreement” and Education Alliance around the wages campaign demonstrated. Also, at this time prospects for co-operation among Vice Chancellors was much higher as the competitive relationship among institutions had not yet developed. The IMC’s approach therefore had strengths and weaknesses. The strength of the approach was in recognising the direction the Coalition was moving in and the corrosive and divisive impacts carving the sector up into enterprises would have over time on wages and conditions across the sector. The weakness of the position was that it was “all or nothing”; either the entire suite of award conditions would be written uniformly across the sector or not at all. The Survival Document argued that to pursue this line risked having the award stripped back before the NTEU had a chance to preserve award provisions via certified enterprise agreements.

As with the NTEU’s relatively late entry to enterprise bargaining, the NTEU had the advantage of being able to learn from the experience of other unions with the introduction of the Workplace Relations Act. The Survival Committee’s sense of urgency was based on the experience of other unions operating under conservative governments. The paper outlined the experience of unions in New Zealand under the neoconservatives and Jeff Kennett in Victoria as examples of the likely tactics the Coalition would adopt, such as the tactic of destroying the financial security of unions by stopping voluntary deduction of union fees from salaries (NTEU NSW Division Survival Committee paper 12 June 1996). The dire statistics coming from New Zealand were cited as part of the argument for urgent action. New Zealand saw drops in union members by 20-70% in just three years and erosion of conditions with the replacement of awards with individual contracts (NTEU NSW Division Survival Committee paper 12 June 1996). The paper warned of similar threats to the NTEU including: potential membership loss, risk of fragmentation of branches, undermining of award wages and conditions, undermining of union in favour of “bargaining agents” and a decline in the ability of unions to use the AIRC and right of entry/access for union officials to workplaces (NTEU NSW Division Survival Committee paper 12 June 1996). The Survival Committee also had the benefit of learning from successful strategies of other unions and recommended defensive action such as civic contracts with employers for the deduction of fees and encouraging members to use alternative methods of paying their dues and the

development of fighting funds (NTEU NSW Division Survival Committee paper 12 June 1996).

National Council 1996

The supreme governing body of the NTEU, National Council, met on 3-5 October, 1996. It was at National Council that the future strategy of the NTEU was debated and adopted. By the time of National Council, three important events had occurred: the NTEU's round one wages strategy had collapsed, the NTEU had waged a popular though unsuccessful campaign to defend commonwealth government funding for the sector and the Workplace Relations Act had been introduced. There were significant differences of opinion among the leadership at all levels of the NTEU as to the implication of these three interrelated factors particularly as it related to round two of enterprise bargaining. These differences were debated on the floor of Council and the voted outcomes became national policy.

In the debate regarding the implications of the Workplace Relations Act, the NSW Division once again took up the battle for its Survival Document recommendations. This time, the document was broken down into individual clauses and was debated clause by clause on the floor of National Council. Paul Whiting and Ken McNab both from Sydney University (in the NSW Division) successfully argued for the reinstatement of clauses relating to writing award conditions into certified agreements and to insist that the National Office brief branches and divisions with advice on pursuing "non allowable matters" as priority claims in certified enterprise agreements (NTEU National Council Paper, 1996). Adrian Ryan's (NSW Division representative) motion is also instructive of the core of the debate: "Council determines that action be taken as an urgent priority to ensure that the interests of NTEU members are best protected and advanced *within the context of the new industrial legislation*" (emphasis added, NTEU National Council papers 3-5 October, 1996). The NTEU could no longer afford to base its industrial relations policy on outmoded award based arrangements. Ros Bohringer from Sydney University argued for a motion "recognising the importance of a reliable and independent method for payment of union fees" which recommended a systematic shift of members' dues to direct debit (NTEU National Council papers 3-5 October, 1996). NSW Division's key recommendations received support by the majority of delegates at National Council and therefore became national policy.

In the debate regarding strategy for round two of enterprise bargaining, the NSW Division directed the National Executive to move quickly to nominate 10-12 potential leading sites to be selected based on a series of criteria: strategic position within the sector, union density and capacity and willingness of its membership to take significant industrial action in pursuit of the claim, wealthier institutions with the easier capacity to afford the claim and ability to open bargaining period early (NTEU National Council papers 3-5 October, 1996). The second motion urged that those leading sites open negotiations immediately and to initiate action in pursuit of the claim and that fighting fund money be available to support these leading sites (NTEU National Council papers 3-5 October, 1996). Further that at the beginning of November National Executive was to “identify the four best sites” and to immediately initiate an industrial campaign at these sites (NTEU National Council papers 3-5 October, 1996). These motions were also supported by a majority at Council and became national policy.

The agreed strategy for round two therefore was to send the leading sites into battle to get whatever they could as quickly as they could and that these outcomes would form the basis for bargaining negotiations at the remaining sites. The pressure was now on branch leaderships, and particularly those in the designated leading sites, to attempt to recoup the wages lost from the failed round one wages strategy as well as to attempt to secure a new round of wage rises at the branch level through enterprise bargaining. Further, with the demise of the award system, branches had the additional challenge of attempting to scoop up all remaining award conditions and write them into enterprise agreements. Full enterprise bargaining under the Coalition government was new terrain for the NTEU. What strategies did the NTEU adopt to secure wages and conditions in the sector and resist the fracturing impacts of enterprise bargaining? This issue will be picked up in the following chapter which will chart the implementation of the leading sites strategy for round two. But first the discussion so far in this chapter will be revisited to analyse the learning process the NTEU underwent to cope with the Coalition government and to formulate enterprise bargaining strategy for round two. The remainder of this chapter draws on the observations of the trade union strategy and knowledge management literature to analyse this learning process.

Summary

The rest of this chapter returns to the discussion so far to analyse the learning process the NTEU underwent during the period from the end of 1995 up to National Council 1996. This chapter will first look at the strategies the NTEU adopted to mobilize support for its campaign against the Coalition government. The chapter will then move to discuss the strategic decision making for round two of enterprise bargaining. Strategic decision making for round two involved drawing on the lessons learned from its experience in round one. However, it also involved “unlearning” some aspects of its approach and to adopt new strategies to cope with the dramatic changes introduced by the Coalition government. This discussion will analyse how the NTEU coped with abandoning practices of the past to allow for new approaches. It will also identify the sources of innovation for the NTEU at this time that enabled it to adapt and finally how information and “know how” were transmitted in the NTEU. This discussion will draw on the observations of both trade union strategy and knowledge management literature to guide this investigation.

NTEU strategies for mobilising support

To understand the events in the build up to the political and industrial action led by the NTEU in the last week of May 1996, it is helpful to return to the trade union strategy discussion in chapter two. Murray and Levesque’s “power resources” model described the relationship between “internal solidarity”, “external solidarity” and the development of a “proactive agenda” that has the support of both the (internal) membership and (external) supporters and broader community (Levesque and Murray 2002: 46; Fairbrother, Williams et al. 2007: 35). Building on this model, Pocock referred to “mobilizing and organizing power” which included the capacity of a union to mobilize its membership in pursuit of its goals (2000: 20). The discussion in chapter two concluded with the observation that effective lines of communication among the various layers of the union is essential for effective union strategy as it enables access to the knowledge needed to respond to the specific conditions of the external environment as well as facilitating the development of an autonomous agenda that has the democratic legitimacy necessary to inspire members and supporters into action. In analysing the events leading up to the May industrial action there

is evidence of the role that clear lines of communication and democracy in decision making (and the exchange of “know how” involved in this process) played in developing the NTEU’s campaign strategy.

In contrast to the tightly controlled, highly centralised process of negotiation in round one of enterprise bargaining, the NTEU was forced to adopt a more flexible approach. The NTEU’s campaign strategy although relying on national co-ordination also required much greater input from the membership and local leaders and therefore the flexibility for independent strategy making at the branch and division level. At the national level, the May industrial action is a good example of the role of branch and division representatives played as boundary spanners in the formulation of effective national strategy. The email correspondence (dated 22 March 1996) from Mike Donaldson (NSW Division Secretary) and Ros Bohringer (NSW Division representative and Sydney University branch committee member) to the National Executive is an interesting artefact of the kind of tacit information that was provided to National Executive via its elected representatives and the impact it had on policy formulation. As Hoe pointed out in the discussion of knowledge management literature, “boundary spanners” operate as receptors for conditions in the external world (2006: 9). Bohringer and Donaldson’s email reported directly from branch-based stop work meetings in the NSW Division they reflected both the “mood” of the membership as well as their perceived willingness to engage in industrial action. This information was vital to prevent the national office pursuing its “rolling 48 hour stoppages” without the requisite support among the membership. The final motion argued for a flexible approach which enabled branches to determine the level of action they would engage in. Therefore, two things were happening in this National Executive exchange: the first is that information was being fed directly from the branches and divisions to the National Executive and impacting on its strategic direction and secondly that power of decision making on industrial action was being shifted away from the National Office down to branches and divisions and in turn the membership themselves via mass meetings at the branch level. Members therefore, whilst experiencing only indirect input in the national strategy via their elected representatives, were given a direct say in the level of industrial action they were willing to take within those parameters.

The high levels of support for the week of action in May shows how the input from branch and division participants on the National Executive enabled the NTEU's nationally co-ordinated campaign to connect with the NTEU membership and supporters as well as the broader community. From an internal solidarity perspective, there is evidence that the tacit understanding of the "mood" and "timing" for the strike being fed from the Division and Branch representatives to the National Executive had been accurate. Further that the policy of enabling members in branches and divisions to determine their own level of action had been effective. Allowing members to have direct involvement in decision making at the branch level about the form and timing of their industrial action appears to have garnered the democratic legitimacy required to secure significant support for the campaign. In the end, an emergent strategy arose from the debates at the branch and division level settling on a national 24 hour strike on 30 May. From an external solidarity perspective, the Education Alliance increased the viability of the campaign by connecting with the broader community. It is notable that this "love our sector" approach also came from recommendations of branch and division representatives. This public sentiment built up via the Education Alliance was a powerful resource for the NTEU to draw on lending credibility to its claims.

The May industrial action also involved mobilising another form of "know how" via the National Research Unit. The National Research Unit which had been in place since the formation of the NTEU, for the first time played a direct role in the NTEU's industrial campaign activities. Like the National Industrial Unit, the National Research Unit, was a small unit with focused expertise. It was responsible for dissecting government policy and compiling detailed reports on their impacts on issues such as: student staff ratios, student demographics, academic tenure and research funding. The NTEU strategy of forming an alliance with the broader tertiary education community required a detailed analysis which combined the federal budget cuts impacts on wages and conditions with the broader concern for the its impacts on the sector as a whole. This analysis was provided by the National Research Unit. In the lead up to the May action the unit developed a "Background Information" booklet and other educational campaign materials for members. They also wrote regular NTEU opinion pieces for The Australian *Higher Education* supplement. The National Research Unit's research also informed the Secretariat's negotiations with the

AVCC, DEETYA and the Minister during the campaign.

Strategic decision making for round two of enterprise bargaining

The rest of this chapter is devoted to a discussion about strategic decision making for round two of enterprise bargaining. An analysis of round two of enterprise bargaining is of course complicated by the fact that round one came before it. This discussion will therefore require an investigation of the extent to which lessons learned from round one impacted on the strategic decision making for round two. The NTEU's enterprise bargaining strategy for round two included tactics from the first round as well as new innovations. As with round one, the desire to maintain a national standard was central to the strategy. National Council 1996 therefore entrenched the protocols developed out of the 1994 planning conference and the 1995 National Council: all Agreements must meet a minimum standard on salary, conditions of employment, protection of award conditions and duration of the Agreement and be in line with NTEU policy (determined by National Council) to the satisfaction of the National Executive (NTEU National Council papers 3-5 October, 1996). As with the first round, the NTEU strategy attempted to maintain national unity by lining up the expiration dates (December 1998) so that the whole sector would commence the third round of enterprise bargaining at the same time (NTEU National Council papers 3-5 October, 1996).

However, alongside these already established strategies there were two key innovations in the NTEU's enterprise bargaining strategy for round two. Firstly, the implementation of a full enterprise bargaining model which included negotiating wages at the enterprise level and the rolling over of all current award conditions into certified agreements and secondly the abandonment of the highly co-ordinated approach where each branch released nationally crafted "model clauses" and advanced through the negotiation in a synchronised fashion in favour of the leading sites strategy. In both cases, the NSW Division played a leading role in developing the new approaches as well as influencing the rest of the organisation to adopt them. In comparison, the NTEU National Secretariat, IMC and National Executive were slow to relinquish the old strategy and to adapt to the new, harsher industrial relations environment and actively resisted the NSW Divisions recommendations. Consequently there was a shift from the IMC as the key site of innovation to the NSW

Division office. Why was the national leadership slow to adopt the new approach? Why was the NSW Division ahead of the rest of the organisation? Each question will be addressed in turn.

How might the relative conservatism of the national leadership of the NTEU be explained? At the heart of the issue were two opposing responses to the decentralising pressures of the new industrial relations environment. The first response, embodied by the national leadership was to maintain national unity. National unity was vital to maintain parity in wages and conditions across the sector and indeed necessary to hold the still fledgling NTEU together. This lesson had become entrenched in the NTEU national leadership coming out of its strategic approach to the first round of enterprise bargaining. However, the second response, was the recognition of the need to decentralise in order to adequately adapt to the new industrial relations environment, namely the need to empower leaders at the branch level to secure vulnerable award wages and conditions via enterprise bargaining. This second response was embodied in the individuals around the branches and divisions and particularly the NSW Division.

The pressure to maintain national unity in the face of the decentralising impacts of enterprise bargaining was the major reason for the national leadership's reluctance to accept the new strategies. The tension between an old effective strategy and a leap of faith towards a strategy which required the relinquishing of control to a patchwork of fledgling branch leaderships across the country underpins the reluctance of the national office to let go. Further, the pressure to decentralise was coming overwhelmingly from Sydney University, one of the strongest NTEU branches at one of the wealthiest institutions in the sector. Allowing Sydney University to push forward alone (and likely win) risked breaking national unity with Sydney University NTEU members pushing too far ahead of the rest of the pack.

The position to maintain national unity and therefore to hold onto processes in the past was embodied among influential players on the national leadership in the IMC. Whilst there was no change to the involvement of the National Industrial Unit between 1994 and 1996, in comparison to its innovative role in round one there is some evidence of path dependency

in the National Industrial Unit. Of the five members of the National Industrial Unit in 1996, four had been in the unit during round one. In round one, the National Industrial Unit's capacity to wage a convincing defence of the award system was a source of innovation, however, in the new industrial relations environment this same talent made it resistant to new approaches. In response to the apparent failure of the wages strategy and even the introduction of the Workplace Relations Act, the Industrial Unit continued along its established approach of scouring for legal loopholes in the new regulations to preserve the old award system: higher education as a "special case" to the award, attempts to modify the award to slip it under the "Allowable Award Matters" requirements, "incidental to the award" provisions" and "multi-employer agreements". The Industrial Unit in round two was a strong intellectual link to the past acting to give weight to the National Executive and IMC's resistance to change.

The second question is: why was the NSW Division relatively ahead of the rest of the organisation? In comparison to the national office, the NSW Division and a small group around Sydney University was the site of innovation and acted as the catalyst for change within the NTEU. One explanation is the NSW Division's relatively weak ties to the national office. Of the eight elected representatives on NSW Division Executive in 1996, three had been on the original National Executive: Adrian Ryan, Ros Bohringer and Mike Donaldson and none had been members of the original IMC. In 1996, the same three original National Executive members were the link between the NSW Division and the national office: Adrian Ryan was on both the IMC and National Executive and Ros Bohringer and Mike Donaldson were both on the National Executive. Another part of the explanation may be the Division's strong links to conditions in the branches and therefore the internal and external NTEU community and environment. This is especially true regarding the strongest branch in the Division, Sydney University. The network around the NSW Division shows significant ties between those who played a leading role in driving change and Sydney University. Of the five NSW Division Executive members who attended National Council, four had significant ties to Sydney University.

Another example of the NSW Division's impact on the strategic direction of the NTEU was the Survival Committee. The Survival Committee Discussion paper developed by an ad hoc

Survival Committee was readily adopted by the NSW Division. The Survival Committee and its advocates in the NSW Division then acted as a ginger group within the NTEU pushing by any mechanism available to alert the national organisation of the dangers and to provoke it into defensive action. The document went via NSW Division Representative and two Industrial Officers first went to the IMC where it received minimal support. The document then went directly to the National Executive via the NSW Division representatives to National Executive where it experienced a similar fate. National Executive drafted a very different motion to be taken to National Council which included only some of the Survival Committee's recommendations in a diluted form. Undeterred, the NSW Division tabled the Survival Committee document once again at National Council. At National Council the Division used the document to lobby delegates. The NSW Division representative broke the document's recommendations down into individual clauses from the floor of Council argued clause by clause until each of the recommendations were finally adopted as national policy.

Why did the Survival Document receive a more positive reception at National Council compared to the Industrial Matters Committee and National Executive? There are several possible explanations. Firstly, once again is the issue of path dependency and "group think"; the leading members of the National Executive and IMC had been intensely engaged in strategy making under the Labor government and there was a lag in their collective ability to break out of their habitual approach to industrial relations. Further, that this old guard were also more aware of the enormous risks involved in adopting the new approach. By comparison, participants at National Council had a range of experiences at Branch and Division level and many Councillors would have been new to the NTEU's processes and therefore had lower levels of attachment to past strategies. Secondly, the closer relationship of ordinary Councillors to the membership and broader higher education community may have heightened their responsiveness to the external environment. Thirdly, it may be a question of timing. By the time of National Council, the full impact of Vanstone's intransigence on the budget coupled with Peter Reith's aggressive pursuit of the Workplace Relations Act operated as a shock breaking the organisation with the past and alerting delegates to the need for a new approach. In chapter ten of this thesis, this period will be revisited to conduct a network analysis of the challenges the NTEU faced in adapting to dramatic changes in the external environment.

How were new ideas generated?

New ideas in the NTEU were overwhelmingly reactive to the pressures of the external environment; they were driven by the need to adapt to the Coalition government's budget cuts to the sector and aggressive industrial relations legislation. Therefore, those who had the least ties to the past and the closest ties to the external environment appear to have been the major sources of innovation in the NTEU in 1996: the NSW Division with close ties to Sydney University. Those who were most receptive to innovation were those who also had a limited attachment to the past and likely greater appreciation of the external environment: ordinary delegates at National Council. In round one, National Council actually met after the enterprise bargaining strategy had been formulated. By comparison, National Council 1996 was the site where strategic decisions were made. Whilst it was not the site of major innovation, incremental adjustments resulting from the discussion on the floor of Council were also written into national policy. In understanding how innovation occurs it is important to acknowledge the resistance encountered and the underlying reasons for this resistance. Some elements of past strategies had to be retained and others had to be unlearned for the organisation to move forward causing a tension between various layers of the NTEU.

Another important source of new ideas came from outside of the organisation. The Survival Committee borrowed from the experience of other trade unions and from academic sources which documented the impact of neo-conservative politics. Returning to the analysis of social network theory in chapter four, this might be an example of what Granoveter calls the "strength of weak ties" (1974: 54 quoted in Scott 200: 35). One "weak tie" is Suzanne Jamieson who was a member of the NSW Division Executive and the "Survival Committee" but did not have a role on the national leadership nor attended National Council. An academic in the field of Industrial Relations and specialising in Industrial Law, Jamieson was the likely source of much of the Survival Committee's analysis. The NTEU's leading sites strategy was another strategy that was learned from the broader trade union community. The leading sites strategy emulated the "hot shops" strategy adopted by the union movement under the old award system. Under the old arbitral-based system, unions such

as those in the metal-working, construction and maritime industries (among others) would concentrate their efforts on industrially militant and strategically well-placed sites (Peetz, Pocock et al. 2007: 152). Victories at these sites could then be generalized across the sector via the award system and the strong arbitral power of industrial relations tribunals (Peetz, Pocock et al. 2007: 152). As with round one, the leading sites strategy relied on the internal processes of the NTEU to essentially substitute itself for the once powerful AIRC to both generalize victories and to maintain a national benchmark despite the fracturing of both the sector and the industrial relations legislation.

How was knowledge transmitted?

As with round one, there were two distinct though linked processes for the transmission of knowledge throughout the organisation. The first process was via the embodied “know how” of individuals engaged in the formulation of strategy and the second process is via codification. In round one, this process was highly centralised on the IMC and National Executive, however, as shown in round two strategic decision-making was much more dispersed, occurring on the IMC and National Executive but also at the Division level and at National Council involving a wide layer of the membership.

The shift in negotiations from the national centre to divisions and increasingly to branch leaderships demanded an increase in the skills and understanding of new layers of leaders in the union. An important element to National Council was its combination of policy development with education. A series of workshops covered: the NTEU wages strategy, the Industrial Relations Act and Market Education (NTEU National Council papers 3-5 October, 1996). Delegates were in no way cushioned from the complexity of the political and industrial situation. For example, participants in the Wages Strategy Workshop were given a briefing paper prepared by the National Industrial Unit which summarised the wages campaign, and put the National Executive Wages Strategy for discussion (NTEU National Council papers 3-5 October, 1996). Focus questions for this workshop were the same as those discussed at the Industrial Matters Committee and National Executive and participants were encouraged to openly debate them out (NTEU National Council papers 3-5 October, 1996). Delegates therefore got the benefit of formal training and debate in small

workshops and then reinforced by more exciting, larger scale debate on the floor of Council.

Codification

The codification process for round two built on the processes from round one. As with round one, the National Industrial Unit produced Industrial Reports which went to both the IMC and the National Executive and also produced Industrial Memos which went to all elected officials and industrial staff throughout the organisation. Again, in reverse, information from the broader organisation, particularly branch and division industrial staff, was funnelled through the National Industrial Unit and transmitted to the IMC and National Executive. The greater reliance on branch and Division leaders and members was also reflected in the codification process. An example is the campaign materials produced by the National Research Unit to educate members in support of the campaign strategy. In the lead up to the May action a Bulletin went out to all rank and file members and a campaign kit was developed and circulated to all leaders in the branches and Divisions. Another example is the codification of the strategic decisions of National Council into the Enterprise bargaining kit. The second Enterprise Bargaining kit 1996/97 was produced by the National Industrial Unit. It built on the first Enterprise Bargaining kit and included sections entitled: preparing for Enterprise Bargaining, consultation, industrial action, understanding university funding, the bargaining agenda (which included NTEU compulsory claims, options claims and responding to employer's claims). As per the first round, additional information was progressively added to the Kit during the round. Another interesting addition to the codification process is the emergence of a position paper, the Survival Committee document, which reflected the opinion of a ginger group within the NTEU. The Survival Committee document appears to have started out as a discussion paper. However, as it encountered successive rounds of opposition at the national level, the role of the document changed from one of discussion to a manifesto to organise around. As it was clear that the whole document was too much for National Council to digest at once, the NSW Division broke the document down into motions addressing each of the key issues which were debated on the floor of Council. The Survival Committee document was a "living" document; it combined codification with the embodied "know how" of activists to form a scaffold for dialogue between the NSW Division and the rest of the organisation.

Conclusion

This chapter has used the archived minutes and memos of the national office of the NTEU to chart the NTEU's navigation of the new and turbulent environment brought about by the victory of the Coalition government in 1996. The process of identifying the origins of the implicit, explicit and emergent strategies adopted by the NTEU during this period has taken this research in unexpected directions. The assumption that national strategy would continue to be generated by the same national bodies, the National Executive, National Industrial Unit and the Industrial Matters Committee, as per round one were challenged with the introduction of key figures in the NSW Division as major players in the national discussion. An uneven process of adaptation to change is apparent in the NTEU: a tightly knit network in the national office formed the framework upon which the older strategies, both effective and those growing obsolete, were maintained whilst the break out groups of the NSW Division and National Council were where innovations were made and adopted. The major drivers of these innovations were the challenges of the external environment. In this environment the membership and leaders, at both the branch and division level, acted as receptors for the external environment and were the first to respond. Through the process of democratic discussion and debate, both in the branches and at National Council, the impacts of the external environment were ultimately able to shape the strategic direction of the NTEU.

Chapter Eight

The leading sites strategy and round three of enterprise bargaining

At National Council 1996, the NTEU had been forced to concede that further commonwealth funded wage rises was no longer an option under the Coalition government and that the only way to secure further wage rises was at the institution level under a full enterprise bargaining model. The NTEU adopted a leading sites strategy which involved sending their strongest branches in first to win the best outcome they could as quickly as possible to form a high benchmark for negotiations at the remaining sites. Securing both wage rises and conditions at the branch level under the Liberal government's *Workplace Relations Act* was new terrain for the NTEU and the onus of this effort fell largely to the local leaderships at the designated leading sites. This new environment created two broad challenges for the NTEU. Firstly, was the challenge of creating the NTEU's strategic capacity at the branch level and the secondly was the challenge to maintain national unity and cohesion against the decentralising pressure of the full enterprise bargaining model. The lessons learned while addressing these two key challenges in round two of enterprise bargaining formed the foundation for the NTEU's strategic decision making for round three.

This chapter aims to identify the major innovations for round three and their origins. As demonstrated in the two previous chapters, the NTEU's strategy is cumulative. Some strategies developed from previous rounds and campaigns were maintained while others were relinquished at the same time as new ideas were being folded into the mix. Therefore studying round three involves assessing the extent to which the lessons learned during the NTEU's formation and previous rounds of enterprise bargaining affected the NTEU's decision-making processes as well as investigating the formation of new strategies. Using the archived minutes and memos of the national office of the NTEU from the end of National Council 1996 up to National Council 1998 which ratified the bargaining strategy for round three, this chapter once again aims to trace the origins of the explicit, implicit and emergent strategies adopted. It also aims to identify key individuals and communities of practice engaged in this process to analyse how the NTEU navigated another turbulent

period in its history. The first half of this chapter charts chronologically the NTEU's attempts to implement the policy decisions of round two and then the NTEU's assessment of this strategy which underpinned policy making for round three. The second half of this chapter enlists the observations of the trade union strategy and knowledge management literature to analyse the strategic decision making process and the individuals involved in the formulation of enterprise bargaining strategy for round three.

From round two to round three

As instructed by National Council 1996 the National Executive moved quickly to implement the leading sites strategy. A National Executive teleconference one week after Council selected the NTEU's leading sites : University of Western Australia, University of South Australia, Australian National University, University of Canberra, Southern Cross University, Sydney University and Queensland University Technology (NTEU EB Memo 15 October, 1996; O'Brien 1999: 86). The meeting also decided that sites would be added or removed from this list subject to the progress of their negotiations (NTEU EB Memo 15 October, 1996). The University of New South Wales, Griffith and Wollongong Universities were later added to the list on this basis (O'Brien 1999: 86). These sites immediately commenced negotiations. Representatives from the leading sites and divisions met on 31 October 1996 (NTEU EB Memo 15 October, 1996) to strategise and the Enterprise Bargaining Kit 1996/1997 was also distributed in late 1996 (NTEU EB Memo 18 November 1996).

The first half of 1997 therefore was devoted to campaigning for enterprise agreements at the leading sites. By late February many of the leading sites and even some non-designated leading sites were reportedly close to settlement (NTEU NE minutes 27&28 February, 1997). O'Brien has written about the obstacles encountered at the two leading sites in the ACT Division: Australian National University and University of Canberra (O'Brien 1999: 87) offering a helpful indication of the kinds of pressures encountered at the branch level in this new environment. One major challenge for the NTEU was learning to co-operate with other unions, mostly general staff unions, at the branch level. Whilst the NTEU automatically gained coverage rights of general staff in Victoria and the ACT during amalgamation, negotiations over coverage rights for general staff in the rest of the sector was a major

complicating factor during round two and subsequent rounds. The NTEU became embroiled in a protracted demarcation tussle, particularly with the PSA/CPSU, which impacted on members at the branch level. Therefore, union membership of general staff at many universities was divided between the NTEU and other general staff unions. Drawing negotiations down to the branch level brought the NTEU increasingly into conflict with these other unions (O'Brien 1999: 87). At both the University of Canberra and ANU, general staff negotiations threatened to undermine the NTEU's wage claim and split the NTEU's ranks (O'Brien 1999). At ANU, the general staff union attempted to endorse an agreement that was acceptable to them but which compromised the NTEU's nationally agreed outcomes for academics (O'Brien 1999: 87). Grahame McCulloch directly intervened in negotiations convincing management to conduct further discussions on academic provisions in the agreement (O'Brien 1999: 87). However, management was able to capitalise on this situation to force a concession on academic redundancy (O'Brien 1999: 87). One modification to national strategy to come out of this situation was O'Brien's recommendation for a flat rate component to wage outcomes designed to appease unions with coverage of general staff on the lower classification levels, such as maintenance and cleaning staff (O'Brien 1999: 87). Similar problems of co-ordination with general staff unions on campuses all around the country also intensified the NTEU's resolve to become the dominant union in the sector for general staff.

Another challenge for local NTEU leaders was coping with increasingly aggressive local managements who were working in an environment of government funding cuts and some of whom were emboldened by the government's industrial relations legislation. An early example of local management's aggressive tactics was at Monash University (not a leading site) where management proposed a Faculty by Faculty bargaining framework (NTEU NE teleconf minutes 3 April, 1997) breaking the "enterprise" into 13 and allow for 13 different outcomes (Industrial Report to the NE 13&14 June 1997). Meanwhile, as O'Brien points out ANU showed the risks of the full enterprise bargaining model with local management seeking to undermine award conditions in exchange for pay rises (O'Brien 1999: 87). The potential risk for the leading sites strategy was that in its haste to quickly set national wage standards the NTEU would be forced to agree to the modification of important award conditions at the local level (O'Brien 1999: 87). The Industrial Report to the National

Executive in April explained that progress at the leading sites had been much slower than expected since the report to the February National Executive (NTEU NE minutes 11&12 April, 1997). It argued that reaching agreement quickly at the leading sites had to be a priority as the slow pace at these sites was making it difficult to hold back less favourable agreements, such as Newcastle and Wollongong (NTEU NE minutes 11&12 April, 1997). It was against this backdrop that the National Executive endorsed the ANU agreement. Whilst the ANU agreement was broadly compliant with the NTEU Council policy and had been hard won through industrial action at the branch level, the concession on academic redundancy was a dangerous precedent (O'Brien 1999: 87-8). As O'Brien points out, there are two ways of reading the National Executive acceptance of the ANU agreement: either it was a pragmatic shift in national policy to secure a good wage rise fast at the cost of local conditions or it was a "flexible 'dynamic emergent' strategy", a strategic loosening of national policy at the behest of empowering the membership at the branch level (O'Brien 1999: 88). Either way, arguably it was the ANU precedent that enabled concessions on academic redundancy at Griffith and UNSW campuses (O'Brien 1999: 88-9).

The leading sites strategy hit a more serious snare at Melbourne University. At the NTEU National Executive 26 March 1997, it was reported that the National Office had intervened at Melbourne University to prevent a provision that allowed for a section of its wage outcome to be contingent on agreed productivity targets (NTEU NE minutes 26 March, 1997). This provision was perhaps the most deeply controversial issue to confront the NTEU to that time. The situation was compounded by a perceived conservatism in the Victorian Division which had cautioned National Council 1996 against pursuing high wages at the risk of job losses in a climate of government funding cuts (O'Brien 1999: 90). The strong FAUSA tradition at Melbourne University along with the strength of the Victorian Division made both segments of the union resistant to national authority (O'Brien 1999: 91). The NTEU was sharply divided on whether the National Executive should endorse the Melbourne University agreement. There were two key issues at work here. The first issue was about the relative rights of the branch as a semi-autonomous institution (in the FAUSA tradition) versus the obligations of the branch to hold the line on nationally determined policy. The second issue was about strategy with those opposed to accepting the agreement arguing for an industrial campaign to defeat management's proposal. Each issue will be addressed in

turn.

Firstly, the National Executive engaged in a heated debate about the relative rights of the branch versus its obligations to adhere to national policy. A series of position papers and motions were tabled at the 26 March National Executive. A strongly worded letter from Adrian Ryan, the NSW Division secretary, argued that the branch had a responsibility to uphold the policy determined by National Council. He argued that NSW Division would regard approving the Melbourne agreement as a "... destructive breach of faith by National Executive..." and that if National Council policy "could be ignored then we have lost all semblance of being a national union (Ryan letter tabled at NTEU NE minutes 26 March, 1997). The letter pointed out that the current wage round was a catch up round for lost wages from round one reminding National Executive of the rationale for its original policy decision. Meanwhile, the Queensland Division unanimously carried a motion against signing the agreement arguing that the national implications must take precedence over the branch (NTEU NE minutes 26 March, 1997). Correspondence from the ACT division and Northern Territory division also endorsed this view (NTEU NE minutes 26 March, 1997). Bill Ford from the Western Australian Division put a more conciliatory line, that: "the role of the National Executive is not to second-guess branches and/or divisions on the specific outcomes... except to the extent that those outcomes would be in clear breach of Council policy" (Bill Ford letter tabled at NTEU NE minutes 26 March, 1997). He argued therefore that National Executive had a responsibility to ensure there is a reasonable basis for the branch's decision and that members have been reasonably informed of the deficiencies of the proposed agreement (Bill Ford letter tabled at NTEU NE minutes 26 March, 1997). He put the two positions starkly, for National Executive to "demonstrate indifference to or reckless disregard for the long-term damage we might cause at that site, would be as grossly irresponsible as were we to mindlessly proceed to approve the agreement regardless of the problems it might cause elsewhere" (Bill Ford letter tabled at NTEU NE minutes 26 March, 1997).

A motion put by NSW Division that the National Executive to not endorse the agreement and that instructed the NTEU to convince Melbourne University members not to sign the agreement was narrowly lost 25/21 (*votes are proportionally assigned) (NTEU NE minutes

26 March, 1997). A compromise motion instructing the Melbourne Branch and Victorian Division point out to members the deficiencies of the draft agreement and its potential impacts on other branches was carried unanimously at National Executive (NTEU NE minutes 26 March, 1997). Another motion authorising Grahame McCulloch to sign the proposed agreement if requested to do so by the branch and division was narrowly carried 27/19 (NTEU NE minutes 26 March, 1997).

The second issue was the question of industrial strategy. Adrian Ryan argued that the agreement set a dangerous precedent for managements at other branches (Ryan letter tabled at NTEU NE minutes 26 March, 1997) and therefore fundamentally undermined the leading sites strategy. Bill Ford from Western Australia again argued a more conciliatory line that the National Executive should attempt to “quarantine” contingency pay from other branches (Bill Ford letter tabled at NTEU NE minutes 26 March, 1997). Adrian Ryan argued that it was “wildly optimistic” to argue that contingency pay could be quarantined (Ryan letter tabled at NTEU NE minutes 26 March, 1997). A tabled email from Amanda Breen argued that the NTEU risked losing one of its “most powerful negotiating tools” which was the ability to say we cannot accept this agreement because it breaches national NTEU policy (NTEU NE minutes 26 March, 1997). The “quarantine” point however, was adopted by the National Secretariat and the Victorian Division and is reflected in the motion carried at National Executive that “all efforts must be made to contain the potential flow-on of this agreement” (NTEU NE minutes 26 March, 1997). One of the key criteria for the selection of leading sites was their union density and capacity and willingness of its membership to take significant industrial action in pursuit of the claim (NTEU National Council papers 3-5 October, 1996). Adrian Ryan picked up this point by comparing NSW’s and Victoria’s strategic approach: where all branches in NSW had engaged in face to face meetings of members and conducted an effective industrial campaign, there was no evidence that Melbourne University was “able or willing to organise one” (Ryan letter tabled at NTEU NE minutes 26 March, 1997). John O’Brien and Mike Donaldson also argued strongly for an industrial campaign and put a motion “that the national office devote considerable staffing and financial resources in a federally led campaign against the University of Melbourne draft agreement” (NTEU NE minutes 26 March, 1997). This motion was lost (NTEU NE minutes 26 March, 1997).

The National Executive therefore opted to attempt to convince the Melbourne University membership to not endorse the agreement, however, in the event that the branch proceeded to accept the agreement Grahame McCulloch was empowered to endorse it on behalf of the National Executive (NTEU NE minutes 26 March, 1997). Grahame McCulloch was once again sent into the front lines to address a meeting of members (NTEU NE teleconf minutes 3 April, 1997). After hearing the arguments against accepting the agreement, the membership at Melbourne University decided to defer endorsement of the agreement (NTEU NE teleconf minutes 3 April, 1997). However, in the end Melbourne University members voted narrowly 137/120 in favour of accepting the agreement (NTEU NE minutes 11&12 April, 1997). Although not a designated leading site, Melbourne University's agreement to a substandard agreement just as weaker branches were commencing was a significant challenge to the national strategy (NTEU NE minutes 26 March, 1997). However, had the National Executive not endorsed the Melbourne University agreement, the NTEU would have not been party to the agreement and therefore locked out of further negotiations at the branch level?

Another major challenge for the NTEU during round two was the introduction of the Workplace Relations Act. The *Workplace Relations Act 1996* enabled employers to by-pass the unions in negotiations by allowing for the balloting of non-union agreements directly with staff and the provision of Australian Workplace Agreements (AWAs) (O'Brien 1999: 89). Employers attempted both approaches at the University of Southern Queensland (USQ) (O'Brien 1999: 89). At the outset of negotiations, management announced its intention to seek a non-union agreement directly with staff (O'Brien 1999: 89). When opposition from local unions failed to shift management position, Grahame McCulloch intervened (O'Brien 1999: 89). The negotiations were accompanied by a union campaign including mass meetings inspiring a series of provocative emails from the Vice Chancellor to all staff (O'Brien 1999: 89). It was therefore a major victory when management was persuaded to commence negotiations for a union agreement (O'Brien 1999: 89). Once the local situation had stabilised, Grahame McCulloch withdrew to enable the branch leadership to continue negotiations (O'Brien 1999: 89). However, a couple of months later an executive memo from Grahame McCulloch to the National Executive explained that the local branch and

state divisions had been close to accepting the agreement when it was discovered by National Office staff that management had made provision for AWAs for senior executive staff and had told local negotiators that Grahame had agreed to this provision (McCulloch 30 May 1997). No such agreement had been made (McCulloch 30 May 1997). In response, the Vice Chancellor and Grahame McCulloch addressed a general meeting of USQ staff and negotiations were reopened (McCulloch 30 May 1997). However, a memo from the Vice Chancellor to all staff blamed the debacle on the NTEU (McCulloch 30 May 1997) and demanded the NTEU accept the agreement before 2 June or it would be put directly to staff (O'Brien 1999: 90).

It was reported to National Executive that the NTEU was unlikely to win a staff ballot (O'Brien 1999: 90). Although the NTEU successfully negotiated a watered down version of the AWA clause (McCulloch 30 May 1997) the Executive was nonetheless forced by circumstances to accept an agreement that breached national policy especially on the question of individual contracts (O'Brien 1999: 89). At the National Executive teleconference on 2 June held to ratify the USQ agreement, John O'Brien expressed his concern about considering sensitive political and industrial issues, such as the USQ agreement by teleconference (NTEU NE teleconf minutes 2 June, 1997). Adrian Ryan also argued that the breakdown in communication between the National, Division and local levels of the union that led to the acceptance of an AWA provision in agreement must be addressed (NTEU NE teleconf minutes 2 June, 1997). The USQ branch was relatively weak with a patchwork of unions exposing the fact that the capacity of national intervention in the new decentralised, enterprise bargaining environment was beholden to strength on the ground (O'Brien 1999). USQ was another example of the tension enterprise bargaining created between national strategic imperatives and the local branch (O'Brien 1999).

The NTEU reviews progress in preparation for round three

A face to face National Executive on 13&14 June 1997 reviewed the NTEU's progress and discussed the need for improvements in time for round three (NTEU NE minutes 13&14 June 1997). By this time all leading sites had reached agreement and many non-leading sites were also near finalisation of their agreements (Industrial Report to the NE 13&14 June

1997). The NTEU did not achieve its 15% goal but did manage to secure more than 11% at all leading sites and had achieved its aim of no reduction in national award conditions except for some minor adjustments to redundancy clauses and AWAs had also not been accepted at any campus (Industrial Report to the NE 13&14 June 1997). The major outliers were Melbourne University and USQ. Melbourne University had accepted performance contracts for senior executives (which were considered unacceptably similar to AWAs) and contingency pay (Industrial Report to the NE 13&14 June 1997). Meanwhile, at USQ the NTEU had successfully defeated management's proposed non-union agreement (NTEU NE minutes 11&12 April, 1997) but had been forced to accept a major concession which potentially opened the door to AWAs (O'Brien 1999: 89).

The National Executive discussed the levels of involvement of the National Office in local negotiations (NTEU NE minutes 13&14 June 1997). At the heart of this debate was the need to find a balance between branch sovereignty and therefore local membership engagement and democracy on the one hand and the integrity of national decision making which required branches to "hold the line" on the other. One recognised difficulty was ensuring the required expertise among local representatives both in local negotiations and in their understanding of the NTEU's strategies and policies. The National Executive resolved to train Branch representatives in negotiation technique and to developing guidelines for national interventions in local branch bargaining and responsibilities at each level of the union (NTEU NE minutes 13&14 June 1997). A resolution from the ACT Division indicated their concern at the communication difficulties experienced between National, Division and Branch levels leading to the National Executive having little option but to endorse substandard agreements (NTEU NE minutes 13&14 June 1997). It resolved that Executive will "not discuss endorsing, nor endorse, any agreements" unless all relevant information was provided to National Executive preferably including the draft agreement in full (NTEU NE minutes 13&14 June 1997). This resolution was carried unanimously as was a motion to organise a seminar of all branch negotiators in those branches yet to finalise negotiations (NTEU NE minutes 13&14 June 1997).

National Council 1997

Enterprise Bargaining strategy was among the major agenda items at National Council which met in early October, 1997. The lessons learnt from the leading sites' efforts to implement round two enterprise bargaining were a major feature in the discussions regarding strategy for round three of enterprise bargaining. NSW and the ACT Division played leading roles in arguing for change to the NTEU's approach to avoid future mishaps like those at Melbourne University and USQ. The NSW Division tabled a substantial position paper "Bargaining in Universities" and the ACT Division tabled a series of motions relating to bargaining strategy (NTEU National Council papers 2-4 October, 1997).

The most significant recommendation was the proposal for a national bargaining forum which came from the NSW Division (NTEU National Council papers 2-4 October, 1997). The rationale for this, in light of the experiences of round two, was the explicit goal of drawing those involved in local negotiations closer to the establishment of bargaining policy at the national level (NTEU National Council papers 2-4 October, 1997). Council adopted the proposal and reaffirmed its belief that successful bargaining strategy required a combination of local workplace and division organisation and national coordination (NTEU National Council papers 2-4 October, 1997). National Council would continue to set policy parameters and priority issues and National Executive would continue to oversee its implementation, but the finer detail of the NTEU's agenda and processes would be determined at the Enterprise Bargaining conference (NTEU National Council papers 2-4 October, 1997). It was agreed that the Enterprise Bargaining conference would be responsible for making recommendations on the content of agreements: minimum salary outcomes, items which should be in all agreements, items which the union should not accept and periods of expiry of agreements (NTEU National Council papers 2-4 October, 1997). Enterprise Bargaining conference would also discuss process: bargaining protocols, local Enterprise Bargaining campaigns, co-ordinated industrial action amongst institutions and developing a method to ensure direct rank and file endorsement of the bargaining strategy (NTEU National Council papers 2-4 October, 1997). Following the very acrimonious discussions around Melbourne University, how can the unanimous uptake of Adrian Ryan's suggestion for an Enterprise Bargaining Conference be explained? It is possible that both

camps accepted this proposal though for different reasons. The NSW, Queensland and ACT divisions understood the need for branch activism and greater involvement of branch leaders in formulating national strategy, while the Victorian and Western Australian divisions saw it as an opportunity for autonomous branches to limit the excessive demands that more militant national policy might place on their less industrial branches.

The NSW Division also recommended the establishment of national reference groups to consider priority issues for the next round (NTEU National Council papers 2-4 October, 1997). The reference groups were to gather information from around the country about current practice including direct discussion with affected staff and use this information to develop NTEU policy (NTEU National Council papers 2-4 October, 1997). This proposal was also adopted by Council (NTEU National Council papers 2-4 October, 1997). A series of other recommendations relating to round three enterprise bargaining were also adopted. A recommendation entitled "Strengthening Workplace Structures" from the NSW Division echoed concerns raised at the time of the Melbourne University controversy. It insisted that in preparation for round three, branches implement recruitment campaigns and enhance delegate structures, build relationships with other unions, strategically assess areas of risk and low density and educate members on the importance of collective strength and the dangers of AWAs (NTEU National Council papers 2-4 October, 1997). This recommendation was adopted in full by Council. This motion recognised that as the employment contract focussed on the branch "enterprise" the success of bargaining largely rested on the ability of local unions to take independent action. Therefore maintaining national unity required local strength both in numbers and in levels of consciousness so that branches could "hold the line" on their campus. National Council also adopted the ACT's recommendation to ensure that each agreement must be supplied in full and approved by the Branch Committee, the Division Secretary and the National Executive before being submitted to members for approval (NTEU National Council papers 2-4 October, 1997). This was designed to avoid the embarrassing slip-ups at Melbourne University and USQ and also to avoid putting the National Executive in a position of having to oppose agreements after the decision to accept it had been made by a meeting of members at the branch level.

With the full implementation of Enterprise Bargaining and the demise of the award system

in higher education, the NTEU also had to rewrite its overarching policy statement on bargaining in the sector. In this discussion the ACT Division made the philosophical point that although the industrial framework had moved on that the NTEU still hold the belief that enterprise bargaining was an inappropriate means of regulating employment conditions and that the NTEU seek to reunify wages and conditions across the sector (NTEU National Council papers 2-4 October, 1997). This statement was also accepted by Council therefore reaffirming the NTEU's commitment to maintaining national unity in wages and conditions despite the decentralisation of the employment relations environment and that wherever appropriate the award standards should continue to form the basis from which agreements are built and no conditions are allowed to fall below them (NTEU National Council papers 2-4 October, 1997). An important addition to this statement was that all agreements should have adequate dispute settling procedures which retain the Commission's power to arbitrate on industrial disputes (NTEU National Council papers 2-4 October, 1997) in recognition of attempts to dissolve the arbitration powers of the Commission under the Workplace Relations Act.

National Bargaining Conference

National Bargaining Conference met on 15/16 June, 1998 and was the major source of the NTEU's strategy for round three. In accordance with Council directives it involved: the lead negotiator and the branch president of each institution, Division secretaries and industrial staff responsible for bargaining support, a representative from WAC and the Casuals network and all national executive members (NTEU National Council papers 2-4 October, 1997). The conference began with reports from the various Enterprise Bargaining reference groups that had also been endorsed by Council (NTEU 1998 Bargaining Conference papers 15&16 June 1998). Individual reference groups discussed salaries, superannuation, casualisation, academic and general staff workloads and modes of employment (NTEU 1998 Bargaining Conference papers 15&16 June 1998). Each group tabled clauses to be added to the NTEU's log of claims. A policy document listing a series of enterprise bargaining claims from the NTEU National Women's Conference was also tabled (NTEU 1998 Bargaining Conference papers 15&16 June 1998). The Bargaining conference then broke into workshops to discuss the recommended clauses and to amend them where necessary

(NTEU 1998 Bargaining Conference papers 15&16 June 1998). Other workshops during the conference discussed union protocols and processes and union and management tactics (NTEU 1998 Bargaining Conference papers 15&16 June 1998). The outcomes of these workshops were reported back to the whole conference the following day and the National Bargaining Conference Resolution was drafted accompanied by a draft Log of Claims for round three (NTEU 1998 Bargaining Conference papers 15&16 June 1998).

The outcome of the conference was a comprehensive Log of Claims, NTEU protocols and some recommendations on the best way to pursue the strategy at the branch level. The Log of Claims outlined its 19% salary claim over three years (7% 1999; 6% 2000; 6% 2001), the expiry date of July 2002 (with the intention of maintaining national cohesion as well as parity of pay rises) and a list of mandatory outcomes and recommended outcomes that were based on the reference group recommendations (NTEU 1998 Bargaining Conference papers 15&16 June 1998). The resolution also contained a list of “prohibited matters”, including: AWAs, pay rises contingent on performance or other targets and trade-offs of superannuation or award conditions (NTEU 1998 Bargaining Conference papers 15&16 June 1998). The resolution also instructed the National Executive to tighten up its processes to monitor branch activity during bargaining and for the final approval of agreements (NTEU 1998 Bargaining Conference papers 15&16 June 1998). Learning from the difficulties encountered in round two, this workshop also recommended that all negotiations include an industrial officer, that NTEU communicates its approval processes to both the membership and management at the outset and that branches and divisions must notify the National Office of controversial issues at the earliest possible time (NTEU 1998 Bargaining Conference papers 15&16 June 1998).

Leading sites seminar

Immediately following the bargaining seminar, the National Executive called a seminar of lead negotiators from the leading sites to determine a floor price on bargaining, to review the log of claims and to develop principles and guidelines for bargaining (NTEU NE minutes 14&15 August, 1997). The initial leading sites seminar made small adjustments to the Log of Claims and discussed the level of ambit in the 19% salary claim (NTEU leading sites seminar

16 September, 1998). The leading sites committee determined that a floor price would be fixed after 8 or 9 agreements had been reached (NTEU leading sites meeting 27 July 1999). In October 1998 the leading sites meeting supported Grahame McCulloch's recommended 12% floor price for round three of enterprise bargaining (NTEU leading sites meeting 27 July 1999). Expiry dates were also discussed. Grahame McCulloch reported on the need for leading sites to pursue longer agreement and to stick to the initial 2002 expiry date (NTEU leading sites meeting 27 July 1999). If agreements could stretch into late 2002, the NTEU would be reopening negotiations under a Labor government if they won the next federal election (NTEU leading sites meeting 27 July 1999). It was also important to get agreements in place before more aggressive amendments to the Workplace Relations Act took effect (NTEU leading sites meeting 27 July 1999). Lastly, longer agreements would enable the lagging sites to catch up before bargaining for the next round commenced (NTEU leading sites meeting 27 July 1999). By mid 1999, most of the leading sites were in the thick of negotiations for round three of enterprise bargaining with many engaged in industrial action which included bans, stoppages and protests (NTEU leading sites meeting 27 July 1999). The following chapter of this thesis will analyse the challenges encountered in implementing the strategy for round three and the formulation of bargaining strategy for round four. However, firstly this chapter will review the strategic decision making process that underpinned the actions described in this chapter so far.

Summary

The rest of this chapter returns to the discussion so far to analyse the learning process involved in the strategic decision making for round three of enterprise bargaining. Immediately following the implementation of the leading sites strategy with the completion of round two, key activists within the NTEU drew out the lessons from the experience and identified key gaps in the NTEU's capabilities that needed to be addressed in the lead up to round three of bargaining. Firstly, there was the need to learn the importance of adhering to National policy to maintain unified wages and conditions across the sector. Secondly, and related to the first was the need to maintain national cohesion as a union despite the decentralizing impacts of full enterprise bargaining. Finally, and most importantly, was the need to increase the leadership and membership capacity in the branches to uphold the

national standard on wages and conditions. This discussion will address each of these issues in turn drawing on the observations of both trade union strategy and knowledge management literature to guide this investigation. The chapter will then analyse the sources of innovation for the NTEU as it adapted to changes in the external environment.

Maintaining unified wages and conditions in the sector

Coming out of the difficulties encountered at both USQ, but especially the University of Melbourne, the NTEU adopted a series of measures to ensure greater compliance with national policy adopted at National Council. One issue that was fairly easily resolved was the decision to tighten up the NTEU processes to avoid the embarrassing slip-up that occurred at USQ where members had endorsed an agreement before it had been fully checked by the National Industrial Unit. In future all agreements would be required to be fully checked by three layers of the union before it could be taken to the membership. However, the more substantial issue was to shore up the commitment of local leaders and members to the claims of the NTEU. The solution to this was to draw many more individuals into the process of developing the claims through the enterprise bargaining forum and by setting up enterprise bargaining reference groups. There were several advantages to this approach. From a union strategy perspective, the goals and strategies would have legitimacy with a much wider catchment of the membership and particularly with those who would be responsible for leading their local branches in implementing them. Secondly, from a knowledge management perspective, the NTEU got the benefit of industrial expertise from NTEU staff combined with the “know how” and local knowledge of branch leaders and members in devising its strategies and goals.

The EB reference groups were designed to develop policy for round three enterprise bargaining on key strategic issues (NTEU National Council papers 2-4 October, 1997) salaries, superannuation, casualisation, academic and general staff workloads and modes of employment (NTEU 1998 Bargaining Conference papers 15&16 June 1998). The reference groups were to gather information from around the country about current practice including direct discussion with affected staff and use this information to develop NTEU policy (NTEU National Council papers 2-4 October, 1997). As per previous rounds it would

appear that the combination of industrial advice from the National Industrial Unit and the less tangible “know how” of individuals from various branches acting as boundary spanners for the conditions in their respective campuses was the model used to arrive at decisions. According to the report written by participants in the casualisation group, Ken McAlpine and Chris Holley provided a draft set of recommendations as well as the various documents related to the “Non-Continuing Employment Case” (NTEU award claim with the AIRC) and the better clauses for EB Agreements from rounds one and two (report tabled NTEU 1998 Bargaining Conference papers 15&16 June 1998). These documents were discussed and amended by the group which was composed of both experienced and less experienced activists. The results were presented in the opening forum of the EB Conference and a report was tabled. This appears to be how all of the reference groups were conducted. The salaries reference group did not arrive at a final figure on salaries (this was arrived at by the Leading Sites meeting in October, 1998) but provided a list of issues that should be taken into account when arriving at a figure. Some of the reference groups were more robust than others. It appears that the Special Studies Provisions (SSP) reference group collapsed and no report was provided. However, among the papers for this group is a long personal email from one participant which outlines the issues encountered with SSP at Macquarie Uni, including the flaws in the current EB provisions and the way these were being exploited by local Heads and the impacts of course delivery and workloads on access to SSP. It is therefore likely that staff in the national office did most of the work in drafting the claims but the email offers an artefact of the kinds of knowledge from quite peripheral NTEU members that the reference groups tapped into when it pulled in broader sections of the membership.

Maintaining national cohesion

The second lesson the NTEU needed to learn was to maintain national unity and cohesion despite the pressures of decentralisation. Although no clear procedure was adopted, the need to improve communication among the various layers of the union was identified as a priority in preparation for round three. The ongoing pressure to maintain national unity against the decentralising impacts of enterprise bargaining largely fell on Grahame McCulloch’s shoulders. As shown in the examples of Melbourne University and USQ,

McCulloch had been required to intervene at the local level to support the leadership at the branch level so that the national pattern could be upheld. McCulloch's capacity to hold the organisation together rested on his experience as the foremost broker in the amalgamation that formed the NTEU and his ongoing central participation in all of the national debates around bargaining strategy since that time. This pressure required and in turn developed very high levels of expertise in negotiation and a high level of understanding of the internal machinations of the NTEU and their origins.

Building leadership capacity at the branch level

Implementing the leading sites strategy required increasing the NTEU's strategic capacity at the branch level. With the full impact of enterprise bargaining and the deregulation of the sector, each campus had its own specific challenges requiring responsiveness at the branch level. As discussed in chapter two devoted to union strategy, the capacity of a union to effectively respond to its environment relies on two related processes: firstly developing an understanding of external threats and opportunities and secondly adapting union strategy and the organisation to best fit this context. The question was asked in that chapter, how effective was the NTEU in making strategic use of the external environment? Using the poker metaphor, Ganz pointed out that chance may determine the outcome of any one hand, or even a game, but ultimately some players are more likely to win than others (2000: 1008). It is a question of strategic capacity (Ganz 2000: 1008). Three key factors for a union's strategic capacity were identified: the ability of union leaders, the engagement and contribution of union memberships and lastly the relationship between the two. This framework can be used to compare the fortunes of the leading sites versus those of Melbourne University, Southern Cross University and the lagging sites. In support of the observations of Voss and Sherman's "knowledge, vision and sense of urgency" (2003: 65) and Hyman's "skill, sensitivity and imagination" (1997: 311) much seemed to depend on the strategic capacity of local union leaderships. Seasoned union advocates such as John O'Brien and Adrian Ryan were central figures in both formulating and implementing strategy in the branches in their divisions as well playing a leading role in recognising and articulating the challenges encountered to educate the rest of the organisation via discussion papers and motions at National Council 1997. This requires very high levels of expertise. John

O'Brien's report on the challenges encountered at ANU involving both an aggressive employer and hostile competitor unions to deliver one of the first successful agreements (disregarding the concession on academic redundancy) is an indication of the kind of strategic ability required at the leading sites.

Returning to the discussion in chapter three of this thesis, activity theory argues that the most effective way to understand what kinds of "know how" the NTEU required is to focus on practice. Frenkel et al's three dimensions of forms of knowledge required in a role included *predominant form of knowledge* and the relative levels of *creativity, type and level of skill* required (Frenkel, Korczynski et al. 1995: 781). In measuring the *predominant form of knowledge* required, it is likely that the role relied on high levels of Frenkel's *contextual* knowledge more than *abstract* knowledge (Frenkel, Korczynski et al. 1995: 779). There is very little abstract bodies of theoretical knowledge that could assist a local leader, overwhelmingly it was the strategic application of "know how" (instincts, hunches, relationships, information) being drawn from many sources that was of primary importance. This in turn required high levels of Frenkel's *creativity* as the local leadership confronted primarily heuristic or open ended problems requiring the development of original responses from first principles. (Frenkel, Korczynski et al. 1995: 779). Finally applying Frenkel's category of type and level of skills (1995: 780) obviously low levels of action centred (physical) skills were required but high levels of *intellective* and *social skills* were enlisted as local leaders synthesised information and developed relationships with a range of individuals engaged in the bargaining process. Applying Ellstrom's "work-integrated learning" framework (2001: 421) is helpful to interpret the kind of learning required for local leaders. Work requiring high levels of creativity requires the highest level of developmental learning in Ellstrom's taxonomy (Ellstrom 2001: 423). Understanding the kinds of skills required to perform the role of local leader during enterprise bargaining assists this study in understanding how these skills can best be developed and disseminated in the NTEU.

As the activity theory literature indicates, creative, intellective, contextual "know how" is very difficult to codify and therefore disseminate. As activity theory indicates knowledge creation and knowledge sharing are inherently a group activity (Teece, Pisano et al. 1997: 15; Leonard and Sensiper 1998: 115) and arguably best achieved in face to face group

discussion, both formal and informal. Know how is “mediated” via discussion within communities (Blackler 1995: 1039-40). Individuals with similar backgrounds or occupations, facing a similar problem share stories to bring coherence to their experience (Brown and Duguid 1991: 45). The embodied know how of more experienced activists which cannot be codified and disseminated can only be transmitted in dialogue. Therefore the best way to try to generate more “know how” was to encourage as much interpersonal interactions and group discussion among people sharing similar goals and experiences as possible. The efforts to draw more individuals into discussion via the EB conference and EB reference groups was a helpful initiative in this regard. Understanding how “know how” is best transmitted, helps explain the less successful attempt of codifying “know how”. It was interesting to watch the fortunes of Adrian Ryan’s step by step prescription on how to deliver an effective industrial campaign at the branch level (NTEU 1998 Bargaining Conference papers 15&16 June 1998). The recommendation was not adopted either at National Council or at Enterprise Bargaining conference. Trying to codify “know how”, the myriad of instincts and reactions of embodied knowledge that figures such as himself and John O’Brien have developed through many campaigns, was possibly futile.

Similarly, it is hard to measure the success of the Enterprise Bargaining kits. Whilst the National Industrial Unit’s industrial memos could effectively codify clauses and legal decisions, less easy to disseminate is the “know how” needed on the ground to shore up the membership support necessary to pursue these clauses. The enterprise bargaining kit included model clauses and form letters and sections of legislation relating to bargaining which were probably successfully transmitted. However, similar to Ryan’s prescriptive advice, the Enterprise Bargaining kit also contained a comprehensive list of processes and procedures and even checklists on how to conduct enterprise bargaining campaigns and negotiations. It also includes sections such as: “building support”, “communicate” and “activate delegate networks”. It was likely a useful checklist for those who had already learned in practice how to build the support needed to conduct an enterprise bargaining campaign. The kit may also have been a helpful way of codifying and storing lessons that had been learned in practice. However, as discussed above, the high levels of complex embodied skills needed to lead a branch could only be learned in practice and with the support of others.

Building the capacity of the membership

Leadership strategy is pointless without the engagement of the membership willing to act in support of it. Fundamental to the leading sites strategy was selecting campuses with both high levels of union membership and a proven willingness to act in pursuit of the national strategy. This in turn relied on a strong relationship between the local leadership and its membership. The insistence by Adrian Ryan that the branch meet to elect its local negotiators and on local negotiators keeping the membership informed shows that this point was explicitly understood by some but not all in the NTEU. At the heart of the debate between Adrian Ryan and John O'Brien on the one side and representatives of the Victorian Division on the other over contingency pay at Melbourne University was an appreciation of the need to inspire the local membership to act in order to hold the line on national strategy. In line with Ganz's observation about strategic capacity (Ganz 2000: 1008), Adrian Ryan drew the direct comparison between the fortunes of Melbourne University and other campuses in NSW and the ACT. In his letter in opposition to the Melbourne University agreement, he pointed out that contingency pay had been a feature of early management offers at every campus in the NSW Division but had been defeated by industrial action (NTEU NE minutes 26 March, 1997). Those in support of the Melbourne University agreement had argued that other unions on the campus endorsed the agreement, but this had also been true at both campuses in the ACT who managed to negotiate with those unions and went in to win superior agreements (NTEU NE minutes 26 March, 1997). Those in support of the Melbourne University agreement had also argued that the reason Melbourne University was forced to accept a substandard agreement was because it had only 30% membership density (NTEU NE minutes 26 March, 1997). Again Ryan was able to show that other weaker branches had managed to win better outcomes (NTEU NE minutes 26 March, 1997). In chapter ten, this time will be revisited to conduct a network analysis of the difficulties encountered by the NTEU in sharing the "know how" required to build leadership and membership capacity at the branch level.

At the same time, Adrian Ryan's motions identified the need for recruitment drives and education campaigns amongst the membership which indicated his conscious

understanding of the importance of union capacity at the branch level in this new environment. The difficulties at USQ were largely due to very weak forces on the ground with a patchwork of unions and an inexperienced local leadership. Whilst the management at USQ aggressively pursued the options offered by the *Workplace Relations Act*, managements were equally aggressive elsewhere, but stronger campuses were able to resist these attempts and even turn this aggression to their advantage.

The unionate worldview

The issue of ideology is also significant here. Chapter three discussed how Lubit's "know how" or way of seeing the world and of approaching problems (2001: 166) when applied to the NTEU necessarily entailed a philosophical or political element. Although not explicitly stated in the debate, the battlelines between the ACT, Queensland and NSW Divisions and the Victorian Division over Melbourne University's agreement had an ideological component. On the ACT, Queensland and NSW Division side was a commitment to the democratic collectivism and industrial militancy of a unionate outlook. It was also characterised by an appreciation of the importance of national unity and of union discipline in carrying out the democratic wishes of the majority as ratified by National Council. Similarly, ACT and NSW Divisions rejected the Victorian Division's acceptance of management's claims that wage rises would necessarily cost jobs at National Council 1996. By comparison, the Victorian Division and particularly the leadership at Melbourne University had a more conservative approach in line with the FAUSA tradition at that branch. The argument for "branch autonomy" was in effect an ideological rejection of industrial militancy. Melbourne University was reluctant to call industrial action and appears to have not shared the ideology of democratic decision making that is central to the union ideology. In line with Brown and Duguid's "sticks" and "leaks" in knowledge sharing the success of sharing "know how" is dependent on the extent to which participants at both ends have had similar experiences and therefore are "speaking the same language" (2001: 207). This fundamental ideological divide made communication and knowledge sharing fraught at the national level of the NTEU, with two broad camps forming: NSW, Queensland and ACT divisions versus the Victorian and Western Australian divisions.

Innovation driven by the external environment

One major source of innovation for round three was at the point of implementation of the leading sites strategy among the more experienced activists. Activists from NSW and the ACT were the first to encounter difficulties directly in their own branches and were also forefront in identifying the potential perils in the Melbourne University and USQ agreements. The recommendation for an enterprise bargaining conference and the reference groups which shaped the strategic decision making for round three all came from leading site representatives in NSW and the ACT. Smaller incremental changes to protocols and processes, such as the flat rate pay rises to shore up the support of general staff or the requirement that industrial officers be present at all negotiations, were also recommendations coming from the leading sites who were learning from their mistakes. It is perhaps instructive that it wasn't until the commencement of bargaining that the leading sites meetings really came into their own with new ideas and experiences being shared as the external environment demanded it. The leading sites strategy by its nature involved capitalising on the learned experience of local leaders in the strongest branches in the country. The leading sites activists feeding their experience back into the organisation were a source of innovation and learning for the rest of the union. One lesson learned from round two and carried over to round three was the approach of sending the leading sites in to battle for the best pay outcome possible which would then be used to assess the floor price for the rest of the sector. Round three bargaining therefore commenced without a clear floor price for wages or a uniform expiry date. It was the leading sites meeting that decided that these two core elements could only be determined by gauging the success of the forerunner sites.

One explanation for the NTEU's capacity to innovate and adapt to change at this time may be its ability to reorganise itself around the sites of innovation. One interesting example of this is the fortunes of the Industrial Matters Committee (IMC). Reviewing the discussion in chapter six, the IMC was the source of most of the innovations in round one. However, as discussed in round two, the IMC had grown closed in and much more closely linked to the National Executive and had been slow to adjust to the new reality of enterprise bargaining. At National Council 1997 a recommendation from the IMC itself was that the IMC be

disbanded (NTEU National Council papers 2-4 October, 1997). In round three, the leading sites meeting took the place of the IMC. This pattern seems to reflect the steps along a process from national strategy making under centralised industrial relations environment down to branch and division under a hybrid arrangement and then down again to individual leading sites innovating at the branch level in response to full enterprise bargaining. The unusual structure of the NTEU that emerged out of amalgamation with its branch based structure (in the FAUSA tradition) combined with division and national co-ordination (in the industrial trade union tradition of its constituent unions), may have underpinned the NTEU's ability to adapt itself in this way.

Conclusion

This chapter has used the archived minutes and memos of the national office of the NTEU to chart the NTEU's navigation of the introduction of full enterprise bargaining to the sector under a hostile Coalition government. Despite the many pitfalls encountered in round two, no alternative approach to the leading sites strategy was entertained. The content of round three enterprise bargaining strategy therefore involved incremental adjustments to the leading sites approach. However, maintaining national unity against the decentralising pressure of full enterprise bargaining became a major challenge for the NTEU. Implementing the leading sites strategy unearthed latent conflicts within the NTEU and exposed gaps in the NTEU's defences amongst the weaker branches. In response, the major innovation in round three was the enterprise bargaining conference which was designed to shore up national unity around a key set of demands as well as to quickly build strategic capacity and commitment among the branch participants who would be required to implement the strategy.

The process of identifying the origins of the implicit, explicit and emergent strategies adopted by the NTEU during this period appears to have continued along a trajectory. As the industrial relations system moved from national down to the branch level under the full enterprise bargaining model, the focus of the NTEU's committees has also drilled down to this level. So that strategic decision making, innovation and learning are increasingly occurring at the branch level and therefore involving many more individuals. The old, centralised source of innovation, the IMC, was replaced by those closest to the source of implementing the leading sites strategy, key activists in the leading sites.

Chapter Nine

Round four of enterprise bargaining

As the NTEU approached the commencement of round four of enterprise bargaining, the leading sites strategy was showing serious signs of strain. With each round, the decentralising pressure of enterprise bargaining and the inequitable funding of universities under the impacts of deregulation made it increasingly difficult for the NTEU to maintain national unity and to deliver uniform outcomes. As discussed in the previous chapter, as the industrial relations framework focused increasingly at the branch level, strategic discussion among NTEU representatives from the leading sites became the major source of innovation for the NTEU. But the success of the leading sites strategy relied not just on the NTEU's capacity at its strong sites but also on the ability of its weaker branches to capitalise on these gains and to implement them locally. Round three was a very tough round in this regard. Signs of the strategy's weaknesses can be seen with the "lagging sites" languishing in protracted negotiations and achieving poor outcomes. Part of the amelioration of this crisis came from an unexpected source: the aggressive intervention of the federal Liberal government into employment relations in the university sector. The unifying, uplifting impacts of the NTEU's popular and successful campaign to stop the Liberal government's policies gave the NTEU a temporary reprieve.

By the commencement of round four, the NTEU had accumulated many skills, experiences and approaches from which to inform its strategic decision making. In fact, one difficulty for the NTEU appears to have been one of synthesis. With the dispersal of the NTEU's strategic focus out into the branches, with their range of institution-specific socio-economic environments, personalities and idiosyncrasies, how could the NTEU best make sense of itself and its environment in order to develop a unified national strategy? There was also an apparent inability or perhaps unwillingness to test and assess the relative merits of particular strategies. The NTEU's inability to offer a thorough analysis of both the successes and failures encountered during round three left the union vulnerable as it entered into round four. But no one could have anticipated the full impact of the Liberal government's

Higher Education Workplace Relations Requirement (HEWRRs) which was designed in large part to stifle the NTEU. Navigating the Liberal government's industrial relations policies, which included direct intervention in local agreement making, required dramatic shifts in the NTEU's strategy challenging the NTEU's capacity at every level. This chapter aims to identify the origins and nature of the strategies adopted to cope with both the threats and opportunities of the HEWRRs legislation and to secure enterprise agreements for round four. The first half of this chapter charts chronologically the NTEU's attempts to implement the policy decisions of round three and then the process of assessing the success of this strategy which underpinned policy making for round four. The chapter will then look chronologically at the introduction of the HEWRRs legislation and the NTEU's response. The second half of this chapter is devoted to analysing the processes involved in the strategic decision making that took place in the formulation of round four enterprise bargaining strategy and the strategies adopted in the campaign to resist the HEWRRs legislation.

From round three to round four

Whilst the leading sites strategy under round three got off to a promising start, the NTEU could not sustain the momentum. By mid-1999, most of the leading sites were in the thick of negotiations for round three with many engaged in industrial action which included bans, stoppages and protests (NTEU leading sites meeting 27 July 1999). Sydney University had moved quickly with its first 24 hour strike on Monday 1 March and further industrial action was foreshadowed for 17 March (NTEU leading sites meeting 3 March 1999). UNSW also moved quite quickly and held a 48 hour strike on 1-2 March with further stoppages planned for 18 March (NTEU leading sites meeting 3 March 1999). By June 1999, it was reported that Sydney University was close to agreement and UNSW intended to use Sydney University's outcome to pursue a better offer (NTEU leading sites teleconference 25 June 1999). The leading sites committee also appeared to be operating well. For example, in response to the reported claims by university managements that they could not afford the NTEU's claims, the National Research Unit provided a comprehensive analysis of institutional finances which gave leading site branches all of the information they needed to argue the affordability of the NTEU's claims (NTEU leading sites meeting 27 July 1999). This analysis was an important innovation and in many cases likely gave NTEU representatives a

greater understanding of the institution's budget than that of their local managers. It was also important for shoring up the support of the NTEU's members and supporters. At ANU, nine hundred staff attended a general meeting which used the data provided by the national office to combat ANU management's document entitled "What the NTEU didn't tell you" (NTEU leading sites meeting 27 July 1999). The NTEU challenged management to a debate but management declined (NTEU leading sites meeting 27 July 1999). UWA reported that the documents were useful for the "propaganda war" and forced the Deputy Vice-Chancellor to acknowledge that reserves could be used in enterprise bargaining (NTEU leading sites meeting 27 July 1999). Meanwhile, in August 1999 the University of Sydney was the first campus to reach a round three Agreement (NTEU NE minutes 6-7 August, 1999).

However despite these isolated successes, by late 1999 a motion from the leading sites committee alerted the National Executive to the slow progress of negotiations at many of the leading sites (NTEU NE minutes 5 November, 1999). A slow start to negotiations at the leading sites did not bode well for the other campuses. A motion from the NSW Division Council which was put to National Council 1999 by Ros Bohringer and Adrian Ryan recommended a revision of the bargaining strategy adopted by National Council 1998 (NSW Division Council motion to National Council 1999). In light of the slow progress of other sites, NSW Division recommended that a new set of expiry dates be adopted to enable campuses to take united industrial action in following rounds (NSW Division Council motion to National Council 1999). The motion pointed out that twelve months into implementing round three bargaining strategy, NSW's leading sites (UNSW, Sydney, Wollongong and SCU) had taken more industrial action than the entire NSW Division in the previous round and yet only one site, Sydney University, had achieved an outcome. The Sydney University agreement exceeded expectations in terms of salaries and conditions with an expiry date of October 2002 (NSW Division Council motion to National Council 1999). Therefore, one year on, Sydney University was the only site to have achieved the goals established at National Council 1998 (NSW Division Council motion to National Council 1999). This outcome necessarily forced a rethink of the National Council 1998 bargaining strategy. It was now no longer possible for sites to win the desired three year agreements and maintain the October 2002 expiry date.

National Council needed to make a choice: go for shorter agreements that expired at the same time as Sydney University (October 2002) or maintain the National Council 1998 commitment to three year agreements and therefore set new expiry dates sometime in 2003 (NSW Division Council motion to National Council 1999). NSW Division argued that the advantage of lining all agreements up to October 2002 was that Sydney University (and other leading sites likely to get agreement soon) would not be forced to once again push out alone as front runners in the next round (NSW Division Council motion to National Council 1999). However, the very high outcomes achieved at Sydney University caused another complication. Whilst the high outcomes raised the benchmark for other campuses in line with the leading sites strategy it also placed pressure on branches in poorer, less organised institutions to maintain parity. To allow for later expiry dates might enable branches to win better outcomes in line with Sydney University's agreement (NSW Division Council motion to National Council 1999). NSW Division offered a third option which was to maintain the three year agreements and enable a dispersion of expiry dates into 2003 (NSW Division Council motion to National Council 1999). Characteristically, Grahame McCulloch adopted this third compromise position and Ted Murphy seconded it.

There was also a strategic element to the NSW Division motion. The motion recommended that those campuses which had been negotiating for more than three months and had not yet secured an agreement should commence building towards bans on examination results and that National Executive should prepare a draft strategy for this action to be discussed at a leading sites meeting immediately after National Council (NSW Division Council motion to National Council 1999). The motion also revived the same issues that Adrian Ryan had campaigned around in round two. The motion recommended that National Executive prepare a report for National Council 2000 on enterprise bargaining campaigns, which covered: building solidarity, a review of industrial strategies and tactics and resources needed for prolonged campaigns, new forms of action and branch recruitment and building campaigns (NSW Division Council motion to National Council 1999). The supporting statement also argued that priority must be given to "intense recruitment and training activities" in the branches prior to commencement of bargaining (NSW Division Council motion to National Council 1999). This motion was carried by National Council 1999.

In line with National Council's directive, the leading sites committee met in November 1999 and recommended the imposition of examination results bans (NTEU NE minutes 5 November, 1999). By the end of November, examination results bans were being imposed at University of Wollongong, Monash, UNSW, University of South Australia (USA) and ANU and many other campuses struck solidarity levies to support the action (NTEU NE minutes 30 November, 1999). However, the success of this strategy was mixed. Whilst UNSW reached agreement at the end of December 1999 (NTEU NE minutes 20 December, 1999) the other campuses had made very little progress and the Christmas break was approaching. Some campuses opted to lift their bans whilst others opted to maintain them over the break (NTEU NE minutes 10 December, 1999). Activists reported that keeping up morale and attendance at members' meetings had become difficult (NTEU leading sites meeting 7 February 2000). National Assistant Secretary, Ted Murphy, reported that "there was a momentum problem across the board" (NTEU leading sites meeting 7 February 2000). In the context of round three, protracted industrial action could be read as a sign of NTEU weakness and not strength. Wollongong University was a particularly troubled case (NTEU leading sites meeting 7 February 2000). At the end of 1999 University of Wollongong management retaliated against the exam results bans by terminating the bargaining period (NTEU NE minutes 10 December, 1999). The branch had made very little progress despite having already taken six days of strike action and then maintaining exam results bans well into 2000 (NTEU leading sites meeting 7 February 2000). At many campuses hostile negotiations stretched well into 2000 and in some cases even into the following year. Meanwhile, bargaining had barely commenced at the lagging sites (NTEU NE minutes 18&19 February 2000). It was in this way that round three ground its way through producing uneven results.

At National Council 2000 in September, there was some discussion about progress in the round. NSW Division again put a motion. This time NSW Division called for timelines to be drawn up to prepare for round four and for better strategic direction. It also requested that National Council establish bargaining conferences, to finalise the round four log of claims by April 2002 and that a taskforce be established to consider alternative bargaining strategies for the next round (NSW Division Council motion to National Council 2000). The taskforce

was to examine strategies, resourcing and training to achieve common outcomes across the sector and to develop a report to be presented to the 2001 National Council for endorsement (NSW Division Council motion to National Council 2000). This motion was adopted by Council however the taskforce didn't eventuate until after National Council 2001.

At National Council 2001, Ted Murphy, the newly appointed National Assistant Secretary, opened the Enterprise Bargaining session with a sober assessment of the NTEU's achievements for round three (NTEU National Council papers 23-25 September, 2001). Whilst the majority of campuses had come to agreement by the end of 2000, at that time there were still four campuses which had not reached agreement (NTEU National Council papers 23-25 September, 2001). Whilst the NTEU had achieved wage increases which averaged 12.5% in three year agreements, the fact that many agreements had taken so long to be achieved meant that in many cases in reality the wage rises amounted to 12.5% over four calendar years (NTEU National Council papers 23-25 September, 2001). Whilst the NTEU's pattern bargaining strategy had secured most claims at each institution, alongside these qualified successes was a long list of losses (NTEU National Council papers 23-25 September, 2001). Wage dispersion across the sector had risen to around 10%, some award conditions were being dissolved and at a layer of institutions management had secured closed and comprehensive agreements which insulated the institution from any further advances in award conditions (NTEU National Council papers 23-25 September, 2001). Some institutions had lost union resources such as time release for local union officers, office space and facilities (NTEU National Council papers 23-25 September, 2001). At some institutions intellectual property rights had been eroded whilst at others the NTEU had failed to secure adequate caps on workloads which was compounded by its inability to gain centrally funded wage increases placing pressure on resources at the Faculty level (NTEU National Council papers 23-25 September, 2001).

However, despite the extensive difficulties endured in round three, National Council did not develop any substantially new approaches. Council reaffirmed its commitment to maintaining the leading sites strategy, including: maintaining the mandatory outcomes approach, ensuring a unified campaign across all branches and branches would commence

bargaining together even where this required delays for some branches (NTEU National Council papers 23-25 September, 2001). As with previous rounds, Council also resolved to maintain the pattern for the following round by attempting to align the nominal expiry dates of the agreements across the sector (NTEU National Council papers 23-25 September, 2001). Council also acknowledged the tougher terrain generated by the continued decline in federal government funding and particularly the government's unwillingness to supplement bargaining outcomes (NTEU National Council papers 23-25 September, 2001).

The NTEU's key diagnosis of round three's difficulties was that it had failed to consult widely enough with the membership to ensure their commitment to the NTEU's goals. To address this, National Council resolved to conduct a wide-ranging discussion with the rank and file membership and all layers of the NTEU on key priorities for round four of enterprise bargaining and to conduct a national survey of all members to engage them in formulating the NTEU's claims (NTEU National Council papers 23-25 September, 2001). Council also resolved to start its discussion early to ensure maximum preparedness at all levels of the union. The plan was to finalise the mandatory claims and settlement points in late September 2002 via a two day Bargaining Forum which would include Branch negotiators, industrial staff as well as National Councillors and Division officers (NTEU National Council papers 23-25 September, 2001). With the tough experience of round three behind it, the NTEU resolved to be much better prepared for round four and to engage the membership in the process.

The NTEU prepares for round four

Coming out of National Council, therefore, the main goal of the NTEU was to consult as widely as possible with the membership to develop a log of claims that the membership would feel committed to pursuing during round four. An Enterprise Bargaining Taskforce was developed to oversee this process (NTEU Enterprise Bargaining Taskforce teleconf 17 December 2001). The taskforce established the timelines for distributing the national survey and also developed a series of reference groups to develop claims that addressed a range of issues that affected the membership (NTEU Enterprise Bargaining Taskforce teleconf 17 December 2001). The Enterprise Bargaining Taskforce recognised that one

weakness in the round was the poor results for general staff at institutions where the NTEU was not the dominant union (NTEU EB Memo 14 December 2001). The taskforce therefore developed a series of reference groups devoted to recruiting general staff where the NTEU was not the dominant union and to developing enterprise bargaining claims that spoke directly to general staff in the sector (NTEU EB Memo 14 December 2001). It was also determined that the NTEU would convene a national general staff forum in the first half of 2002 (NTEU NE minutes 22 May, 2003).

There were also two significant new claims that came from outside the Enterprise Bargaining Taskforce processes: a claim to address the increases in casualisation in the sector and another devoted to parental leave. It had been reported to National Council that 19% of academic staff and 12% of general staff were employed as casuals and that local managements were under pressure to replace continuing staff with casual labour with likely downward pressures on conditions in the sector (NTEU National Council papers 23-25 September, 2001). Dr Anne Junor, an industrial relations academic from UNSW, had conducted the first major review of casual labour as part of a research grant which was part-sponsored by the NTEU (NTEU National Council papers 23-25 September, 2001). Dr Junor's research formed the foundation for the NTEU's claims for casualisation including the proposal to use the Metal Industry case precedent to increase the casual loading from 20% to 25% (NTEU NSW Division Motions 17 August). The second major claim was a maternity leave claim involving 14 weeks fully paid leave plus 38 weeks paid at 60% salary to be paid by a central university fund (NTEU EB Forum October 2002). The NTEU's radical maternity leave claim came from an unlikely source, the Australian Catholic University (Thompson 11 December 2003). During Enterprise Bargaining negotiations in 2001, the Australian Catholic University management had made a commitment to offer mothers full salary for 12 weeks and then 60% salary for 40 weeks, the equivalent of 36 weeks full-time pay (Thompson 11 December 2003). The NTEU Women's Action Committee refined this provision and then lobbied the NTEU to adopt this provision and make it a mandatory claim in round four of enterprise bargaining.

In October 2002, the National Executive met the day before the National Enterprise Bargaining Forum to discuss the forum's agenda (NTEU NE minutes 2 October 2002). As

with previous rounds, it was the National Executive's role to arrive at the salary claim. The National Executive set the Salary Claim of 24% between 2003-2006 and determined the expiry date to be 30 June 2006 (NTEU EB Forum October 2002). Also as with previous rounds, the floor price for salary increases would be set at a later date and dependent on the progress of the leading sites (NTEU EB Forum October 2002). It was agreed at National Executive that part of the complications of round three was the long list of mandatory claims (NTEU NE minutes 2 October 2002). It was therefore determined that the list of mandatory claims should be kept to a minimum and be supplemented with a less binding list of recommended priority claims (NTEU NE minutes 2 October 2002). With claims coming from the national survey of members, the Enterprise Bargaining taskforce reference groups, the general staff conference, the Women's Action Committee and the usual technical claims coming from National Industrial Unit, it had been difficult to prioritise and limit the demands. The National Bargaining Forum came up with 20 mandatory items and another 16 recommended priority items for a log of claims (NTEU EB Forum October 2002). The National Bargaining Forum also developed a list of prohibited matters which included that there be no increase in management's capacity to introduce AWAs (NTEU EB Forum October 2002).

Therefore, despite the difficulties encountered in round three, the NTEU had raised the bar still higher for itself. Armed with its long list of priorities, including a landmark claim for 12 months paid maternity leave, the NTEU entered into round four negotiations. The discussion part of this chapter will return to this period and attempt to explain the difficulties the NTEU encountered in framing its circumstances to enable it to set clear priorities leading in to round four.

Round four enterprise bargaining commences

Round four did not get off to a good start. Central to the leading sites strategy was that the front-runner branches should lead the way and win strong outcomes that could be generalised through negotiations at other branches. But what happens when the very first agreement to be reached is substandard? UNSW management made an aggressive start to bargaining with a generous pay offer that was designed to break solidarity between

academic and general staff and to entice staff away from the NTEU's campaign over conditions. UNSW offered a 12% pay rise to academics staff with a bonus of \$3000 to be repeated annually for the life of the agreement (NTEU NE minutes 21&22 February, 2003). General staff were also offered a generous pay rise but on different terms and a lower overall outcome. In terms of conditions, the UNSW agreement was substandard on a series of important fronts: it did not meet the casual employment claims and despite an increase in the parental leave provisions from twelve to fourteen weeks paid maternity leave, including two weeks paid partner's leave, the provisions fell well short of the NTEU's ambitious maternity leave claim (NTEU NE minutes 2&3 May, 2003). National Executive expressed concerns about the divisive impacts of the differential pay offer (NTEU NE minutes 27-28 June, 2003). However, the other union for general staff at UNSW, the CPSU, had moved to agree to the offer based on a ballot of CPSU members which had shown that 80% supported accepting it (NTEU NE minutes 22 May, 2003). The low density of NTEU members among general staff at UNSW meant there was limited prospect of winning a "No" campaign against accepting the agreement or of winning a better offer (NTEU NE minutes 22 May, 2003). But a major concession to the CPSU risked having knock-on effects at other campuses which also shared general staff coverage with the CPSU which included leading site, Sydney University. However, local negotiators reported on the intransigence of UNSW management and stressed the difficulties the branch would face to attempt to mobilise the membership given the staff's overwhelming acceptance of the salary offer (NTEU NE minutes 27-28 June, 2003). National Executive noted that although the agreement was not a strong one, overall the agreement met all but two of the mandatory settlement points and did not allow for the introduction of AWAs (NTEU NE minutes 27-28 June, 2003). Not to sign the general staff agreement risked not being party to the agreement (NTEU NE minutes 27-28 June, 2003). Grahame McCulloch also warned that management would likely proceed with a non-union agreement for academics (NTEU NE minutes 27-28 June, 2003). The National Executive therefore reluctantly endorsed the agreement (NTEU NE minutes 27-28 June, 2003).

What should the NTEU do now? An Enterprise Bargaining Memo from the National Industrial Unit devoted to the issue of the parental leave claim argued for a defensive

strategy to rescue a clause that was in terminal trouble (NTEU EB Memo 22 May 2003). Following the substandard outcome at UNSW, the memo recommended that the NTEU identify those campuses most likely to get agreement to the parental leave claim and to make the claim an immediate priority (NTEU EB Memo 22 May 2003). That is regardless of how close branches were to reaching overall agreement, they should move immediately to securing the parental leave claim if they thought they could get it (NTEU EB Memo 22 May 2003). An example of where this was possible was ANU which had opened negotiations offering 20 weeks fully paid maternity leave (NTEU EB Memo 22 May 2003). Meanwhile, the best hope for revitalising the round four log of claims in its entirety was Sydney University. Sydney University had made a strong start and by August 2003 was close to agreement having achieved an 18% salary increase plus sign-on bonus, the full range of mandatory settlement claims including the parental leave claim and the 25% loading for casual staff (NTEU NE minutes 7 July, 2003). However, there was a major concern around management's proposal to exclude from the Agreement general staff earning more than \$102,000 and academic staff earning in excess of \$120,000 (NTEU NE minutes 7 July, 2003). The main risk of this provision was that it could open the door for AWAs (NTEU NE minutes 16 September, 2003). Sydney University representatives returned to the negotiation table but were unable to defeat this provision and despite this limitation the agreement was endorsed by the National Executive but with nine voting against it (NTEU NE minutes 16 September, 2003). On the positive side, Sydney University had broken through with the maternity leave claim winning 36 weeks parental leave, comprising a minimum of 14 weeks fully paid maternity leave and the choice of a further 38 weeks at 60% pay or access to a funded return to work program (NTEU NE teleconf minutes 23 September, 2003). Sydney University was therefore poised to win an agreement that would overshadow the losses at UNSW and put the leading sites strategy back on track when disaster struck.

Higher Education Workplace Relations Requirements

On 22 September, federal government ministers Brendan Nelson and Tony Abbott publicly announced the Higher Education Workplace Relations Requirements (HEWRRs) (NTEU NE teleconf minutes 23 September, 2003). Despite the fact that the legislation had not yet been passed, Nelson and Abbott declared the legislation effective immediately (Guy 27

September 2003). The HEWRRs were a central component of Brendan Nelson's *Backing Australia's Future* package. *Backing Australia's Future* enabled universities to impose additional HECS fees and to increase the number of full fee paying places from 25% to 50% and introduced the full fee paying loans scheme that put a cap of five years on commonwealth funding for students (NTEU NE minutes 7 July, 2003). The policy also foreshadowed Voluntary Student Unionism (NTEU NE minutes 7 July, 2003). Under the scheme, universities were required to enter into a funding agreement which gave the commonwealth unprecedented power of intervention into the life of the campuses, including the ability to specify the number of student places down to the discipline level (NTEU NE minutes 7 July, 2003).

From an industrial relations perspective, HEWRRs tied increases in university Commonwealth Grants Scheme funding to compliance with a series of industrial relations requirements, including:

- All certified agreements must contain a provision that enables the university to offer Australian Workplace Agreement (AWAs)
- Any improvements to conditions or conditions that were in excess of community standards must be directly linked to productivity measures and in line with the business requirements of the University
- Any agreement that attempted to limit casual employment would not be certified
- Any agreement that provided for exclusive union representation on committees would not be certified
- Universities could not fund full time union positions or provide union offices on campuses free of charge (NTEU Industrial Bulletin 25 September 2003)

Universities that refused to implement these changes would lose out on their share of \$404 million of federal funding (Contractor 23 September, 2003). The NTEU National Executive identified the *Backing Australia's Future* proposed reforms as the "largest and most radical

restructuring of the university system since the Dawkins reforms of the late 1980s” (NTEU NE minutes 7 July, 2003).

Taken as a whole, despite its combative intentions, the legislation in fact opened up an opportunity for the NTEU. The timing of the announcement, intended to undermine the NTEU, in fact worked in its favour, allowing it to put its own demands at the centre of the campaign from the outset. The government announcement had been made specifically to terminate the agreement at Sydney University to prevent it and other universities from insulating themselves from the proposed workplace changes by signing up local enterprise agreements (Contractor 27 September 2003). However, it is unclear whether Abbott and Nelson had intended to pick a fight with the strongest branch in the sector and also one week before the NTEU meeting of National Council. Sydney University branch activists responded by calling an emergency meeting of members. The media attended the meeting where around 300 members voted for two lunchtime stop works building up to a 24-hour strike on 7 October (Dodd 22 September 2003). Another issue regarding the timing of the announcement was that most campuses had already opened their bargaining periods and were therefore able to take protected industrial action. When the media also attended NTEU National Council the following week 250 NTEU delegates voted unanimously for a national 24 hour strike (NTEU National Council papers 29 September - 1 October, 2003).

The legislation itself also offended the most powerful organisation in the sector, the Australian Vice Chancellor’s Association (AVCC). The NTEU and AVCC were able to temporarily overcome their differences to form a symbiotic relationship using the strengths of each organisation to maintain pressure on the government. By emphasising the issues the NTEU had in common with the AVCC, such as increased government funding, quality education and university autonomy (NTEU NE minutes 28 September, 2003) the NTEU was able to gain further traction for its demands. Meanwhile, the AVCC used the NTEU’s public protests, industrial action and media attention to keep their goals in the public domain. Whilst the Liberal government intended to antagonise the NTEU it could not have anticipated the scale of opposition to government interference from the AVCC. The Vice Chancellors were near unanimous in their opposition to the threat to their autonomy and the increase in bureaucratic control from the government. Particularly unattractive for Vice

Chancellors was the prospect of their Human Resources units tied up in negotiating many hundreds of AWAs, particularly when many academics could reasonably expect to gain significant pay rises in this manner (Contractor 27 September 8 October 2003). The money being offered by the government was also not enough to entice the wealthier institutions, specifically Melbourne University, Sydney University and ANU. Most Vice Chancellors provided submissions and some appeared before the Senate Inquiry to oppose the legislation. In fact, the only Vice Chancellor to openly support the legislation was Professor Rory Hume from UNSW (Guy and Noonan 27 September, 2003). However, unfortunately for the government, UNSW was also the only university in the sector that could not participate in the HEWRR process as their agreement had already been reached.

Defeating HEWRRs

Ironically, the legislation might have been exactly what the NTEU needed to break free of the malaise it had experienced coming out of round three. The legislation acted to unite the NTEU membership and its supporters and to give a clear, credible focus to its enterprise bargaining demands. It ensured internal solidarity for the NTEU by drawing attention to difficulties in the sector that the NTEU had been campaigning around for years. The discovery that regional universities and other campuses which catered for lower socio-economic status students would be unfairly hit by the increases to HECS which would price their students out of the sector (Guy 27 September 20 October 2003) enabled the NTEU to bridge the widening gulf between NTEU branches in the wealthy city based campuses and their cash-strapped regional counterparts. The threat of AWAs also helped the NTEU to reach out to the seven other unions in the sector to maintain a united front as well as to shore up solidarity from the ACTU. The publicity that surrounded all of these issues built up momentum for the NTEU's National Strike Day on 16 October 2003.

The national strike was a success for the NTEU. The media estimated that 40,000 university staff had engaged in the action (Guy and Tomazin 27 September 17 October 2003). Whilst Sydney University reported 98% compliance for the strike and had around 300 people attending the pickets (The Advocate November 2003), the strike day raised every campus up including many lagging sites from round three. *The Age* reported that Victorian University

of Technology, Australian Catholic University, La Trobe University and Ballarat University were “virtually shut down” (Martin and Dodd 24 September 17 October 2003). The threat of AWAs ensured united action with the CPSU and the Liquor Hospitality and Miscellaneous Workers Union (Contractor and Noonan 27 September, 2003) at the University of Wollongong, the campus that had struggled through round three. It was later reported that 1044 members joined the NTEU in October 2003 (Guy 27 September 14&15 November, 2003). The evening before the strike, 800 staff at ANU had attended a meeting to witness their Vice Chancellor sign a non-compliant Enterprise Agreement in defiance of the government’s legislation and foregoing the funding offer (Contractor 17 October 2003). Could this be the same ANU that only in round three had threatened a non-union ballot? As an indication of the importance of the role of Vice Chancellor in the new university system (Marginson and Considine 2000: 74), ANU now had a new Vice Chancellor, Ian Chubb. Professor Ian Chubb, formerly the Vice Chancellor of Flinders University and one time chair of the Higher Education Council, was a powerful player in the politics of higher education. Chubb was on the AVCC negotiating team when it agreed to meet with the NTEU to develop a joint strategy for achieving a federal government funded salary rise against the Coalition’s funding cuts back in 1996 (NTEU Industrial Memo 18 April 1996). The relationship was maintained and Ian Chubb had been an outspoken opponent of the federal government’s ongoing bureaucratic intervention in the intervening years.

However, despite the day of protest, the bills passed unamended through the House of Representatives where the government had a clear majority (Guerrera and Tomazin 17 October 2003). However, the fate of the legislation hung in the Senate where the Liberal government did not have an outright majority. To get the legislation through Senate, the government was relying on the support of all four independents who held the balance of power (Contractor 16 October 2003). However, these senators had indicated that they could not endorse the package without significant amendments (Guerrera 8 November 2003). Meanwhile, the Senate Inquiry into the *Backing Australia’s Future* package had received 500 submissions with fewer than six in support of the package (Guerrera 8 November 2003) and on 8 November 2003 announced that the legislation was so flawed that it should not be pursued (Guerrera 8 November 2003). With just eight sitting days remaining in the parliamentary year, there was little time to debate or amend the package

(Guerrera 8 November 2003). At the same time, the Vice Chancellors facing further industrial action on the campuses were pushing for the issue to be resolved before the end of the year (Guerrera 8 November 2003). The likelihood that Nelson would have to back down was enough to allow the University of Sydney to resume negotiations towards agreement (Contractor 13 November 2003). Other Universities also recommenced negotiations at this time (NTEU NE minutes 14&15 November, 2003).

On the 27 November, the Sydney Morning Herald headline read “Nelson caves in on university demands”. The paper reported that the higher education package had been “gutted” with Nelson agreeing to a raft of fundamental aspects of the package to get it through the Senate before the end of the year (Contractor 27 November 2003). Among the many changes, the government had abandoned the workplace relations aspects of the package (Contractor 27 November 2003). The final legislation removed the proposal to link \$404 million in operating grants to the workplace relations reforms, under the legislation universities were still required to include a standard statement which enabled the offering of AWAs (NTEU NE minutes 9 December, 2003). Following the government back down, Sydney University was able to pursue its enterprise agreement. On 10 December, Sydney University’s agreement was finally certified and was the first to win the full maternity leave claim reported in the *Sydney Morning Herald* as the “mother of all deals”(Thompson 11 December 2003). With outcomes at both ANU and Sydney University, the NTEU was able to regain its footing for round four. Further, the momentum generated during the campaign was enough to propel many of campuses, including those that had struggled during round three, towards securing round four agreements.

Higher Education Workplace Relations Requirements (HEWRRs) Mark II

By October 2004 the NTEU was in a fairly confident position: the HEWRRs legislation had been defeated and most enterprise agreements had been finalised. However, the federal election on 9 October 2004 changed everything for the NTEU delivering a landslide victory for the Liberal party in the lower house and a conservative majority in the Senate. The federal government moved immediately to re-introduce the HEWRRs legislation on the campuses (Guerrera and Rood 2004). With the Liberals holding a majority in both houses

the new *Higher Education Workplace Relations Requirements Bill* was immediately ratified in the House of Representatives and then swept through the Senate as well (NTEU Media Briefing 2005). The NTEU's initial response was to attempt to revisit its successful 2003 strategy of public protest and appealing to sympathetic Vice Chancellors. However, whilst the NTEU held a series of successful rallies, the federal government had also learned lessons from the 2003 campaign. To drive through its HEWRRs legislation it knew it must destroy the relationship between the AVCC and the unions. Attempts to resist HEWRRS were therefore swiftly met with threats of legal and financial sanctions directed at both Vice Chancellors and the NTEU.

The NTEU had little option but to proceed to negotiate HEWRR compliant agreements. The National Industrial Unit enacted its timeworn strategy of developing model clauses to be negotiated at each campus. The goal of these clauses was to emulate the form of the HEWRRs requirements whilst delivering minimal actual concessions to the legislation. As with the leading sites strategy every win at an individual institution laid the foundation for winning it at other campuses.

Attempting to secure HEWRR compliant agreements in this environment offered some opportunities for the NTEU. What became immediately obvious was that the legislation having been rushed through and without parliamentary scrutiny contained many inconsistencies and flaws. It had also been introduced so quickly that the federal department for higher education, the Department of Employment, Science and Training (DEST), had difficulty training its officers to develop a uniform interpretation of the legislation who were prone to providing different answers to the same question depending on who you spoke to. Whilst the NTEU had a national industrial unit, university managements had no reliable national body to depend on. In this environment the NTEU was able to control the flow of information and make significant gains. Using its superior access to information, the National Industrial Unit used favourable outcomes at individual campuses to win similar gains elsewhere. Of course favourable DEST rulings could be promoted whilst unfavourable ones could be dismissed by providing a DEST ruling that contradicted it made somewhere else in the sector. In this way, by the end of October 2005, almost all of the campuses had achieved HEWRR compliant agreements (NTEU NE

minutes 31 October, 2005). However, despite the NTEU's overall success in minimizing the damage (including protecting the full maternity leave entitlements on all campuses), the strategy was a defensive one and in some instances the NTEU had been forced to make concessions to achieve certification (NTEU NE minutes 11&12 November, 2005).

Summary

The rest of this chapter returns to the discussion so far to analyse the learning process involved in strategic decision making for round four of enterprise bargaining. The effects that deregulation had on the sector and its impacts on the NTEU's ability to adapt will be analysed. The rest of the discussion will focus on the internal factors that influenced the NTEU. There were a series of factors that impacted on the NTEU's ability to develop effective trade union strategy. Firstly, an incorrect or perhaps incomplete diagnosis of the difficulties it had encountered in round three led to inappropriate strategies to address them. The NTEU's assessment that it had not consulted widely enough with the membership for round three of enterprise bargaining led to the development of the Enterprise Bargaining forum in preparation for round four which appear to have compounded its difficulties. Secondly, and related to the first was the incapacity of the national leadership to effectively frame the NTEU's circumstances to gain its strategic bearings. Thirdly, as key activists in the NTEU withdrew, the NTEU lost its key repositories of strategic "know how" and some of its star boundary spanners who assisted in monitoring and interpreting the external environment. Lastly, this chapter will look at how the lessons of the past were mobilized to enable the NTEU to regain its footing and effectively respond to the HEWRRs legislation. This discussion will draw on the observations of both trade union strategy and knowledge management literature to guide this investigation.

Before analysing the NTEU's response to the HEWRRs legislation, this chapter will return to the NTEU's deliberations coming out of round three which formed the framework for the NTEU's approach to round four. As has been shown, even before the intervention of the Liberal government, the NTEU was in trouble. Round three had been a gruelling round for the NTEU. The difficulty of ensuring uniform strategic capacity at the branch level and the need for national co-ordination and cohesion at the national level, which had challenged the

NTEU from the outset of enterprise bargaining, had reached crisis point by the end of round three. The protracted disputes at many campuses required to secure agreements and the lagging sites falling further behind than in previous rounds threatened the leading sites strategy. Despite this, the NTEU failed to adopt any substantially new strategies to address this crisis and in fact raised the bar still higher for itself entering round four with a long list of mandatory claims. What had gone wrong?

External factors impacting on the NTEU

The first issue that needs to be addressed is the external environment. By round three, the full impact of deregulation in the sector was evident. As discussed in chapter five (devoted to the political economy of the sector) by 2001 the Sandstone and Redbrick campuses (the Group of Eight plus the University of Tasmania) accounted for more than 46% of the total operating revenue in the sector with the remaining 53% of operating revenue divided (very unevenly) among twenty-eight gumtree and universities of technology and new universities (de Zilwa 2005: 402-4). This stratification of the sector led to a wide disparity of management approaches with some poorer institutions aggressively resisting the NTEU's claims. Vice Chancellors and their respective managements were also exerting ever more influence over their campuses (Marginson and Considine 2000: 74), meaning that, increasingly, campuses reflected the idiosyncrasies and political agendas of their local managements. Local management strategy could have serious consequences for employment relations. For example, ANU was at least as prosperous as Sydney University, but its management took a confrontational approach to the NTEU during round three which resulted in a lower outcome and only after a protracted industrial campaign. As discussed in round four, the fortunes of ANU changed dramatically when Professor Ian Chubb became Vice Chancellor. Therefore, from an industrial relations perspective, the sector could not be easily categorised or assessed. How could the NTEU best make sense of its external environment to develop a uniform national strategy to respond to it? This new environment put even greater strain on the tension between local autonomy and national strategy. The terrain in most local branches was growing more hostile placing local leaderships under much greater pressure while the sector as a whole was becoming much more disaggregated making it difficult for the NTEU at the national level to develop effective

national policy.

Further, it is likely that the stratification of the sector posed a fundamental threat to the leading sites strategy which was built on the premise that university managements would be compelled to match stronger outcomes achieved at the leading sites to compete for limited skilled labour in the sector. What happens when a series of local managers decide that they simply cannot compete and opt to fall behind on wages and conditions? Perhaps the ideal of unified national outcomes was no longer a possibility. Whilst National Council acknowledged the impacts of the continued decline in federal government funding (NTEU National Council papers 23-25 September, 2001) it is unclear if it grasped the full implications of this at the branch level. The NTEU's resolution to lobby the ALP for improved funding and changes to the industrial relations framework (NTEU National Council papers 23-25 September, 2001) was an insufficient response to this complex situation.

Internal factors impacting on the NTEU

Whilst external factors of unevenness of funding and disaggregation of the sector can explain much of the NTEU's difficulties, there were clearly significant internal factors at work. In this section the period leading up to round four will be revisited to explain the difficulties the NTEU had in framing its situation and setting clear priorities. Despite the NTEU National Executive's stated desire to limit the number of items in its log of claims, the National Bargaining Forum developed 20 mandatory items and another 16 recommended priority items. National Council determined that the key to the NTEU's internal difficulties was that the membership had not been consulted widely enough in developing the NTEU's log of claims for round three. However, this diagnosis was problematic for several reasons. Firstly, in fact the NTEU had dedicated considerable resources to engaging with members in the lead up to round three via the Enterprise Bargaining Conference and the Enterprise Bargaining Reference Groups. How would the next Enterprise Bargaining Forum be different? At issue was whether the NTEU wanted a strategic discussion with a smaller group involving the local leaderships or whether it wanted a broad discussion to maximise membership engagement. This issue played itself out on the floor of National Council. The NSW Division argued that the main purpose of the Enterprise Bargaining Forum was the

need for a strategic discussion and participation should be limited to those directly engaged in branch negotiations (NTEU National Council papers 23-25 September, 2001). However, NSW Division lost this debate. The word “strategy” was removed from the final motion and the two day Bargaining Forum would include Branch negotiators, industrial staff as well as National Councillors and Division officers (NTEU National Council papers 23-25 September, 2001). Although for administrative reasons attendance at the EB Forum was later scaled down by the National Executive (NTEU EB Memo 20 May 2002), the purpose of the forum had not been clarified. The outcome of the forum was the development of a long list of claims rather than a clear strategy on how these demands would be achieved.

The second major problem for the call for greater consultation with the NTEU’s membership to develop its claims was that it subsumed the specific problem with the claims from round three; any number of specific failings of the round three claims could be encompassed within the perceived need for increased membership involvement. Was it that the membership did not care about the claims enough to battle for them? Or were the claims too difficult to win at all institutions? Or were there too many claims as the National Executive indicated in the lead up to the National Bargaining Forum (NTEU NE minutes 2 October 2002). Lastly, was it a question of what they were campaigning for, or the strategy adopted to win them? Perhaps due to the complexity of the sector the NTEU appeared unable to test and assess the relative merits of particular strategies. How could the successes be explained? What did Sydney University do “right” that Wollongong did “wrong”? Or was it inappropriate to try to compare the fortunes of a wealthy Group of Eight institution against a poorer regional one? Nor was it a simple question of “willingness to take industrial action in pursuit of goals” that was hotly debated on the National Executive in round two over Melbourne University’s non-compliant agreement. In fact, in round three many of the weaker branches took much more industrial action than the stronger ones. The strategy of engaging in protracted industrial action at weak campuses such as Wollongong must have had negative impacts on solidarity and morale within the branch. But that lesson was not drawn. Similarly, it should have been clear that the ban on examination results was a failed strategy and yet what little evidence there is of a discussion of its merits were inconclusive (NTEU leading sites meeting 7 February 2000). A brief entry in the minutes of the leading sites meeting (7 February 2000) alludes to some challenges

with the strategy, including: ensuring sufficient membership uptake, coping with opposition from students and difficulties with timing and co-ordination. However, the leading sites committee did not adopt a position. There is also no record of a more formal review of the exam results bans strategy at National Council or the EB Forums, and therefore no clear national position was developed. Interestingly, however, exam results bans were not proposed during discussion of round four. Arguably, the strategy was buried before an autopsy could be performed.

Difficulties framing its circumstances

The NTEU's strategy of opening the NTEU up to a broad free-ranging discussion to develop its claims without a clear framework or narrative to guide this process produced the long list of mandatory and recommended claims without a clear strategy of how to pursue them at the branch level. In the trade union strategy discussion in chapter two, it was found that although membership participation is vital to successful union strategy, the membership in turn is beholden to its union representatives to frame their situation for them. As Hyman points out, the membership of a union does not form one homogenous grouping but is made up of individuals with varying and even conflicting viewpoints (1989:150) and therefore membership representation is *mediated* by the leadership (Hyman 1997: 311). Union leaders must therefore collate, assess and prioritize the wishes of the membership within the context of the pressures of the external environment (Hyman 1997: 311) to build a cohesive strategy that the membership can support. The NTEU's surveys, reference groups and large forums produced a long list of demands which taken as a whole would be very difficult to achieve in the context (or contexts) the NTEU was operating in. To develop effective union strategy the NTEU required mediated representation at two levels: the local branch level and at the national level. At the local level, the role of branch leaderships was not just to reflect what the members would like to win but to develop an understanding of what the membership would be willing and able to do to pursue those goals and the likelihood of success. At the national level, the role of the national leadership was to mediate the demands from local branches and frame these demands in a national strategy. In previous rounds, debate among branch leaderships could be a source of considerable tension and debate, but also one of clarification, innovation and learning. The NTEU's

surveys, reference groups and large forums were no substitute for this process.

The archived survey instrument itself provides an artefact of the deficiencies of the NTEU's approach at this time. The survey instrument asked the individual member to identify which issues the NTEU should give highest priority to in the coming round from a list of eighteen issues, which included: salary increases, workloads and family-friendly provisions. Members were encouraged to enter additional priority claims. The survey yielded results from 300 randomly selected academic and professional staff members from various institutions throughout the sector. The results contained few surprises for those working in the sector. They also did not enable the NTEU to better understand the specific branch environments the members were working in and could not argue for a local or national strategy to pursue these goals. This same problem was evident in the many forums, committees and reference groups convened to develop the NTEU's claims. These groups contributed to the long list of the NTEU's claims but could not help build a greater understanding of the NTEU's strategic situation. This period will be revisited in chapter ten to analyse the impact of involving far greater numbers of members in the NTEU's strategic decision-making from a network perspective.

Whilst there were greater numbers of NTEU members engaged in enterprise bargaining discussions in rounds three and four, there was also high turnover of active members between the two rounds. Of the 164 NTEU members who were actively engaged in formulating strategy for round three, 121 were not involved in round four. The turnover was especially high among peripheral members who were involved in the large forums. Of the 121 who withdrew between round three and round four, a little over 100 had only attended either National Council or participated in either the national Enterprise Bargaining forum and/or one of the Enterprise Bargaining reference groups. On the converse side, of the 147 who participated in formulating strategy for round four, 104 had never been involved in enterprise bargaining at the national level in the NTEU before. There are several possible explanations for this turnover. One is that the large forums themselves were not conducive to building the close communities of practice over time necessary to share experience and build the "know how" needed to hold active members. Attending a large conference for two days did not compensate for membership of a smaller, longer term

committee such as National Executive or the Industrial Matters Committee of the past. Another explanation is that the demoralising impacts of the difficult negotiations during round three burned many active members who had participated in the first forum. As this is a study of strategy making at the national level, it is difficult to trace individual experiences or to measure how many of these participants remained active at the branch level of the organisation. Meanwhile, turnover of peripheral members was compounded by turnover among the core national leadership.

Key repositories of strategic “know how” in decline

Whilst there was high turnover of peripheral members, the original wave of experienced NTEU members was also receding. From among the remaining elected officers who did not continue from round three to round four, 12 were members who had been on the national leadership since amalgamation, including: former National Assistant Secretary, Kerry Lewis, former NSW Division Secretary, Adrian Ryan, former ACT Division Secretary, John O’Brien, and former Victorian Division President, Cathy Caruso. These individuals had been key figures in the many debates during the previous rounds. Of the remaining leaders at the national level in round four only the National Secretariat, Ted Murphy, Carolyn Allport and Grahame McCulloch, remained from amalgamation and the first round of bargaining. Three of the round four national leaders had only joined the national leadership during round three. Therefore, whilst the numbers of people participating in developing strategy had increased, the core leadership was contracting. A smaller, less experienced cog was moving a larger and more unwieldy wheel. It is likely that the very large forums acted to dilute the voice of a shrinking band of experienced activists. It is likely that this receding tide of experienced members was also occurring among the leaderships of many branches. Whilst it is likely most of the turnover was due to retirement, the sector and the employment relations framework had changed so dramatically that many of the original team may not have coped well with the transition.

The turnover of experienced membership diminished the strategic capacity of the NTEU at both the branch and national level. In his research into union strategy and union democracy in the NTEU, O’Brien discussed the central role of union activists in the ongoing translation

of members' wishes into official union policy (O'Brien 1999: 80), where again as with Hyman's observations representing the members' interests is a process of active translation not one of passive reflection. In fact, with its unusual branch based structure in the FAUSA tradition, O'Brien refers to the "complicated negotiations" when it came to attempts to exert central power that characterised the NTEU's early years (O'Brien 1999). In the discussion of round two, this thesis argued that one crucial factor in the fortunes of individual branches was the strategic capacity of the leaders and activists within the branches themselves. O'Brien's discussion of the obstacles encountered at the University of Canberra and ANU during round two provided helpful insight into the kind of strategic capacity required at the branch level, such as the ability to cope with aggressive management tactics that acted to exploit the divisions created by other unions on the campuses (O'Brien 1999: 87). The strategic capacity or "know how" of leaders at the branch level was found to be made up of any number of skills and instincts, relationships, local knowledge and more formal forms of knowledge and are therefore impossible to codify and very difficult to disseminate. The best way to learn these skills is in communities of practice.

The loss of star boundary spanners

At the national level, the loss of experienced representatives made it more difficult for the national organisation to make sense of the branch experience and to develop appropriate national strategy. In particular, in losing John O'Brien and Adrian Ryan the NTEU lost two valuable boundary spanners. In the knowledge management discussion in chapter two of this thesis, Tushman and Scanlon identified a "star" boundary spanner as one who has significant external connections as well as the respect and status, generally earned through perceived competence, internally to influence the organisation (1981: 290). During round two, Adrian Ryan and John O'Brien acted as mediators between the experiences in the branch and the national organisation. Acting as boundary spanners, they were particularly competent in both languages; the language of the community of practice in the branches and the language of the national organisation of the NTEU. They therefore acted as brokers between the two communities. They played leading roles both in formulating and implementing strategy in the branches and in helping to frame the NTEU's strategic position to educate the organisation with discussion papers and motions at National Council 1997.

This loss of experience left the union with limited capacity to understand itself. When it came to developing national strategy, the surveys and large forums were no substitute for this active and at times combative process of mediation among experienced activists which has the flexibility to incorporate demands and strategy and a myriad of instincts, hunches and experiences in the process.

Mobilizing lessons from the past

Whilst the NTEU appeared to be industrially weak at many branches coming out of round three, the HEWRRs legislation and the *Backing Australia's Future* package played to the NTEU's strengths. Firstly, it enabled the NTEU to mobilise strategies it had learned from the past. As with the funding cuts announced in 1996, the NTEU was once again drawn into direct conflict with the federal government in an attempt to secure its claims. As the NTEU national leadership had learned back in 1996, its best hope was to build a broad coalition with other interests in the sector. The NTEU had also learned of the importance of forging an alliance with the most powerful broker in the sector, the Australian Vice Chancellors' Committee (AVCC) by focusing on issues that the two organisations had in common. Key players in the National Office were repositories of accumulated know how which included relationships built over time and strategies harnessed through group discussion over many years. Grahame McCulloch and Carolyn Allport were founding members of the NTEU and had been on the secretariat for four rounds of enterprise bargaining. The role of Grahame McCulloch was particularly pivotal at this time. Grahame McCulloch had built up very high level skills in negotiation and relationships with key players in the sector. For example, he had regularly been called upon to rescue an ailing branch from intractable disputes often negotiating directly with local Vice Chancellors or senior managers to break a deadlock. In this way, by round four McCulloch had developed the skills in negotiation required at this level but also forged a strong dialogue and in some cases an ongoing relationship with many Vice Chancellors and other key players in the sector. It was through these ties that the NTEU was able to forge an alliance with the AVCC to defeat the HEWRRs legislation.

Another important factor in the success of the campaign was the NTEU's ability to build internal and external solidarity by developing inspirational goals. This lesson had been

explicitly understood back in round two when the funding cuts announced by Minister Amanda Vanstone back in 1996 which jeopardised the NTEU's federally funded pay rise. As with round two, had the NTEU gone out on its own against the HEWRRs legislation and to achieve the narrow goal of higher wages and conditions it would have been easily isolated and crushed. Carolyn Allport and Grahame McCulloch had been major players in round two informing their response to this new attack. Therefore the NTEU's lessons learned from round two, to appeal to the broader higher education community not just on straight industrial issues but on broader demands, had been successful. As discussed in the trade union strategy chapter of this thesis, researchers believe that in the current period unions should frame their goals to capture social and political goals rather than narrow economic concerns (Hyman 1997: 326-7; Fairbrother, Williams et al. 2007: 47). That is, the union movement needs to inspire and not just respond. However, inspiration requires a sophisticated understanding of its constituents and their goals and beliefs. In formulating both its strategy and demands the National Secretariat demonstrated its affinity with the sector that had been built up over many years. The NTEU's expansive demands for university autonomy and quality education enabled it to claim the moral high ground and put the federal government on the back foot. It was the Liberal government that looked petty and "industrial". Meanwhile, in comparison to the heavy slog of negotiating round three agreements with demoralised memberships against hostile local managers, the campaign against HEWRRs buoyed by positive, uplift demands made building local solidarity easy and inspired the involvement of branch activists.

Maintaining unified wages and conditions in the sector

Another vital factor for the NTEU's successes in round four was its enduring commitment to the goal of maintaining nationally unified wages and conditions against the decentralising impacts of both the deregulation and enterprise bargaining. Although it was the source of many, at times heated, debate the shared commitment to maintaining unified wages and conditions was the driving force behind the strategies the NTEU adopted to deliver and defend it. By round four, the strategy adopted was a combination of the mandatory settlement points strategy (first adopted in round one and honed and enhanced over time) and the leading sites strategy (first adopted for round two of enterprise bargaining). Whilst

earlier in this discussion the deficiencies of setting long lists of mandatory settlement points were outlined, the success of the HEWRRs campaign shows the positive aspect of the mandatory settlement approach. The lesson that had become engrained in the NTEU of the importance of maintaining a national benchmark by insisting that local branches adhere to the mandatory settlement points ratified at National Council was a vital factor in achieving the universally high outcomes in round four. One benefit of the mandatory settlement point process therefore was that whilst some sites did better than others, all sites achieved at least the agreed benchmark.

The second benefit was its ability to distribute positive innovations throughout the organisation. As long as activists could convince the national organisation (via the EB Forum and National Council) to endorse their claims as mandatory, their claims could gain the full weight of the NTEU's resources once adopted. One clear example of how effective this could be was the journey of the parental leave claim. As discussed earlier, the original parental leave claim originated from management at the Australian Catholic University. It was adopted by activists in the Women's Action Coalition with the backing of the National President, Carolyn Allport, and the National Industrial Unit. WAC member Cathy Rytmeister represented the motion at the EB Forum to ensure that it became a mandatory claim (NTEU EB Forum 2002 3&4 October 2002). The discipline with which the NTEU pursued mandatory claims against any obstacles it encountered in branches ensured that the parental leave claim (which might otherwise have had only marginal chance of success) was achieved at every institution. As discussed earlier in the chapter, when UNSW had been forced to accept a substandard outcome on parental leave, the National Industrial Unit, via Sarah Roberts who had also attended WAC, ensured to revive it.

The third benefit to the NTEU's commitment to nationally unified wages and conditions via the leading sites and mandatory settlement points strategy was the expertise it built over time to deliver it. Key figures in the NTEU national office responsible for policing the mandatory claims were Grahame McCulloch, Ted Murphy, the National Assistant Secretary, and the National Industrial Unit led by Ken McAlpine. Their combined skills in formulating mandatory claims and then in scouring agreements to ensure their compliance with these claims was central to the success of this approach. The specific set of skills of Ken McAlpine

and the National Industrial Unit have already been discussed. Suffice to say, by round four this unit had weathered many storms and developed very high levels of expertise. Similarly, Ted Murphy, who took office towards the end of round three, had a similar skill set. An indication of the kind of skills required was that Ted Murphy was also the NTEU's expert on superannuation and became the deputy Chair of the national UniSuper board. Nicknamed "Dr No" for his intransigent opposition to agreements that did not meet the mandatory settlement requirements, Ted Murphy was also vested with the political clout within the NTEU to accept or reject enterprise agreements. Around this inner core of expertise was the network of industrial officers throughout the sector who received the model clauses and other codified data via the by now well-established distribution networks established by the National Industrial Unit. Again, the successful transmission of "know how" from this inner core and the national organisation was the extent to which they were "speaking the same language" and the discursive capabilities of the boundary spanners involved. It was this framework which formed the scaffold upon which many of the national industrial strategies were upheld. As was shown with the defensive strategies adopted to cope with HEWRRs mark II, this expertise in the national office and the process for information flow throughout the national organisation that had been built over time, were very difficult for local managements or the federal government to emulate. Ironically, once again, arguably even the federal government's HEWRRs mark II legislation played to another "know how" strong hold within the NTEU.

Conclusion

This chapter has used the archived minutes and memos of the national office of the NTEU to chart the NTEU's progress during round three of enterprise bargaining which formed the basis upon which the NTEU built its strategy for round four. By the end of round three, gaps in the NTEU's defences among the weaker branches in the sector was beginning to have profound impacts on the strategy. As with the conclusion of round two, despite the many pitfalls encountered during the round, no serious alternative approaches to the leading sites strategy was entertained. This may reflect path dependence in the NTEU or it may have been that in the hostile and disaggregated environment generated by funding cuts under the Liberal government the NTEU simply had very few options. In either case, the key

weakness for the NTEU was the low level of debate at any level of the organisation about its strategic direction. As it entered round four, the NTEU appeared to be at sea; drowning in its own extensive data without a clear framework to analyse this information or to gain its strategic bearings. The main difficulty here appears to be a lack of the strategic capacity necessary to steer branches through enterprise bargaining at the branch level. This problem was compounded by how very complex and hostile the circumstances had become for negotiating agreements in the branches. The second difficulty was the loss of key boundary spanners who could interpret the experiences in the branch to feed them into the national strategic decision making process. A disconnect was developing between the branches and national policy formulation and an ability for the national organisation to fully understand its circumstances. Fortunately for the NTEU, the Liberal government's HEWRRs legislation played to its strong-holds, two of its leading sites Sydney University and ANU, and as crucially the national office where the strategic "know how" built up over time could be mobilized to reunite the national organisation and gain the external solidarity needed to defeat the legislation.

Marshall Ganz's game of poker can be invoked to understand the NTEU's predicament in navigating the HEWRRs campaign. As with a game of poker, the union movement does not deal the cards but must play the hand it is dealt. But it is a game where chance may determine the outcome of any one hand but some players are more likely to be winners than others (Ganz 2000: 1008). In this instance, the NTEU having played a tough round was suddenly dealt a royal flush. However, whilst good fortune was a factor, playing a good hand still requires considerable skill and the NTEU used the opportunity to effect. To capitalize on the Liberal government's provocative legislation the NTEU national leadership drew on a raft of skills, relationships and instincts learned over time to reunite its previously fractured union to build a national campaign that lifted even the weakest branches in the sector. Another example of how skills learned over time could be mobilized to seize upon chance opportunities was the fortunes of the parental leave claim. The national discipline and the skilled network built around the mandatory settlement point strategy were vital for distributing this innovation throughout the organisation. Although the parental leave claim was a very ambitious claim for a weakened union coming out of round three, rather than being a burden the NTEU was able to frame it as part of its uplift campaign against the

Liberal government. The NTEU's inspiring initiative for dramatic improvements for working mothers helped to build internal and external solidarity for the NTEU's goals. Further, had the NTEU not gone for the maternity leave claim they would have missed an historic opportunity to win it.

Chapter Ten

A network analysis of the NTEU 1993 to 2005

The purpose of this chapter is to analyse how the NTEU learned to navigate enterprise bargaining by looking at the structure of its decision making processes. In chapter two of this thesis, three key elements required for the development of effective trade union strategy were identified: *the strategic capacity of union leaders, the engagement and contribution of the membership and structures and processes that maximize the effectiveness of the relationship between the leadership and the membership.* In chapter four, this thesis returned to these three key elements using activity theory to build an understanding of how to analyse their development in the NTEU. Activity theory has highlighted the fact that the “know how” required to lead can only be learned through experience and is inherently a collective process. The research has encouraged a focus not on the particular talents of individuals but on groups of people interacting to solve the problems generated by the context in which they are operating: communities of practice. This chapter draws on social network theory to analyse communities of practice from a different perspective. This chapter returns to the minutes and reports of the meetings devoted to enterprise bargaining strategy during the period 1993 to 2005. However, this time the attendance lists of these meetings have been used to develop a network of the individuals and groups involved and how they interacted. The purpose is to dissect which elements of the NTEU’s decision making structure enhanced and which might have inhibited the flow of “know how” and therefore the learning process in the NTEU.

Before proceeding, it is necessary to briefly review the discussion of social network analysis in chapter four. In chapter four, it was shown that the structure of a network can be established in such a way as to impede or to facilitate the effective flow of social capital (or resources) and also that certain individuals or groups within that structure will likely be privileged over others by virtue of their position within that structure (Burt 2001: 32). The

unit of analysis in a social network is therefore not the individuals or groups themselves but their relationship to each other (Pope and Lewis 2008: 447). Moreover, network analysis is not just concerned with the fact of the relationship but with the meaning that can be interpreted from that relationship or the *attribute* of that relationship (Borgatti and Everett 1997: 243). The network analysis conducted in this chapter, as with the qualitative aspect of this thesis, is concerned with “know how” (knowledge in all of its forms) and its role in strategic decision making. Given that developing “know how” is inherently a collective activity; social network theory highlights the fact that there are structural implications for this group process. It also enables a visual representation of this network. This chapter, therefore, attempts to chart the way in which “know how” flowed within the NTEU.

Two-mode networks

This thesis has used the attendance lists of meetings devoted to enterprise bargaining strategy during the period 1993 to 2005 to develop a network of the individuals and groups involved. From a network perspective these are called “two-mode” networks. Breiger in his theory of the “duality of persons and groups” prefers the approach of “membership network analysis” over social network analysis (Breiger 1974: 183). Where a typical social network analysis might survey respondents asking them to list up to twenty persons they regard as “significant” to construct a network (Marsden 2005: 12), Breiger is more interested in formal structures. The key distinction here is that Breiger is interested not just in the social ties between individuals but how those individual social relations intersect with their formal affiliation to groups or organisations (Breiger 1974: 181). That is, individuals form informal social relationships often within more formal structures and in turn these informal social relations often influence the nature or outcomes of the formal structures (Breiger 1974: 181; Hanneman and Riddle 2005). For Breiger, there are not two distinct affiliations: social and formal but an intersection between the two (1974: 181). For example, two people share an interest in football, attend the same club meeting and form a relationship which might have the dual relation of being both a friendship and an alliance that influences the outcome of the club’s decisions. To fully understand how individuals interact using the archived meeting data of the NTEU requires studying the network data at two modes: the ties between individuals (one-mode) and the ties of individual’s attendance

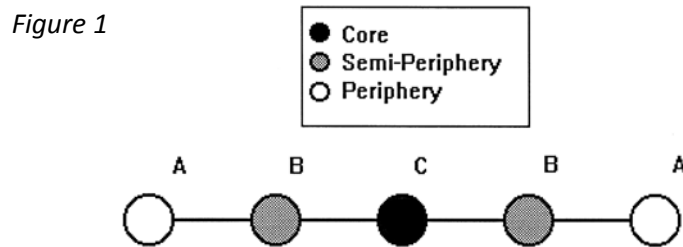
at events (two-mode).

This is a helpful observation for this study of the NTEU. There are two key advantages to the two-mode approach. Firstly, it has provided a theoretical framework to analyse formal role lists of the NTEU and not rely on self-nominated social tie data. Secondly, it is an approach well suited to archival data. The attendance lists of meetings in the past can be used to reconstruct the individuals, relationships and groups involved in decision making in the NTEU. The advantage of formal, archival data is that it avoids several known threats to reliability and validity of collecting network data via interviews and surveys, such as issues of name recall and forgetting, bias towards high status actors and interviewer effects (Marsden 2005: 13-16).

Centrality, power and influence

In the discussion so far about decision making in the NTEU, there have been various contests for influence over the organisation's strategic direction. How might the structure of the NTEU's network have influenced this process? As discussed in chapter four, network analysis is particularly interested in centrality, and its relationship to power and influence. There are three operational definitions of centrality and their relationship to power or influence: **degree** (ability to communicate directly with others), **betweenness** (ability to control or restrict the communication of others) and **closeness** (ability to reach large numbers of actors with minimal reliance on intermediaries) (Mizruchi and Potts 1998: 355). The relationship between centrality and power is complex. Centrality is significant in assessing the influence of an actor but a direct relationship between centrality and power should not be assumed (Mizruchi and Potts 1998: 384). This relationship is also mediated by the structure of the network (Mizruchi and Potts 1998: 384). Whilst network theory would argue that the most central actor is the most powerful, power dependence theory predicts that it is those with intermediate centrality (the brokers among various individuals and groups) who will be the most powerful because the most central actor will be reliant on the intermediaries for influence over others (Mizruchi and Potts 1998: 356). Figure 1 below shows that where the most central actor can only communicate with B, B can communicate with C and A and through A potentially influence many more (Mizruchi and Potts 1998: 356).

Therefore “betweenness” is potentially the most influential role (Mizruchi and Potts 1998: 356). However, where the most central actor is not reliant on intermediary B and has access to both B and A, then the most central actor C is the most influential (Mizruchi and Potts 1998: 356). Therefore the relative power of actors is dependent on the nature of the network.



Cook et al. five-actor restricted access exchange network (reprinted in Mizruchi and Potts 1998: 356)

In a series of studies, Mizruchi and Potts were able to show that in restricted access networks, the semi-peripherals were able to monopolize influence because of their ability to surround the central actor (Mizruchi and Potts 1998: 383). Further, what if the semi-peripheral actors are able to get together and thus bypass the central actor altogether (Mizruchi and Potts 1998: 384)? However, Mizruchi and Potts were able to demonstrate that where there are competing subgroups, the central actor was shown to considerably strengthen their power by playing a mediating role among the leaders of the competing subgroups (1998: 384). In their study of exchange networks, Cook et al identified a “decentralization” principle in which networks tend to operate around multiple points of power or “regional centres” within the network (Cook, Emerson et al. 1983: 302). In these instances, the central actor’s power will be mediated by the extent that the central actor is reliant on the brokers at the interception of these power centres (Cook, Emerson et al. 1983: 302).

A semi-peripheral actor or broker may perform the role of “network entrepreneur” (Burt 2001: 36). A network entrepreneur is an individual who positions themselves within the network to be the broker who brings together otherwise disconnected contacts (Burt 2001: 36). This individual will likely enjoy privilege in this new arena as the sole contact for all of the individuals where the other individuals who are unfamiliar with each other might experience high levels of uncertainty (Burt 2001: 36). The privileged broker might use this

advantage to make strategic use of the information they choose to transmit (Burt 2001: 36). Structural holes (groups of otherwise unconnected individuals) generate opportunities for network entrepreneurs who use this privileged position to generate still more opportunities (Burt 2001: 36). In this way, access to information and position within the network reinforce one another and can accumulate over time (Burt 2001: 36) to produce privileged individuals within a structure. However, even this statement is not straightforward. Whilst network entrepreneurs can often gain the upper hand, Burt points out there are also advantages to a closed networks (Burt 2001: 37). Coleman has analysed the role of closed networks or closely knit groups in generating social capital (1988: 95; Burt 2001: 37). There are elements of closed networks, such as reciprocal obligation and social expectation, social norms, trust and familiarity that are beneficial to closed networks (Burt 2001: 37). Closed networks can establish norms and sanctions which can positively guide behaviour and discourage the abuses that might accompany network entrepreneurship (Burt 2001: 38). The trust and familiarity of close relationships may also allow for the ready uptake of ideas within the closed network. From this perspective, the more advantaged individual is one who is insulated by strong relationships which deliver them reliable sources of information and may give them the opportunity to encourage others to act in concert in the pursuit of shared goals or to sanction those who violate their norms (Burt 2001: 38).

How might these observations assist an analysis of the flow of “know how” within the NTEU? The remainder of this chapter is devoted to using the key concepts discussed above to analyse the NTEU’s network and how this might have impacted on its capacity to learn. This chapter returns now chronologically from round one through to round four, to analyse the key moments in enterprise bargaining learning process from a network perspective. This chapter will return to key moments in the four rounds of enterprise bargaining and analyse these moments from a network perspective. The remainder of this chapter will focus on how network centrality, power and influence, the ability of individuals to increase their influence through diversification, the flow of new ideas and of network dependence and vulnerability might have impacted on the learning process in the NTEU. This analysis will also be able to map the way in which the network has changed over time in response to the many challenges in the external and internal environment and how these changes in turn may have impacted on the learning process.

The NTEU network in the early years

The observations of network analysts are particularly helpful for analysing the structure of the decision making process in the early days of the NTEU. As O'Brien has pointed out, any exercise of central power from the national leadership at this time involved a process of "complicated negotiation" among the various layers of leadership in the NTEU (O'Brien 1999: 83). This statement can be analysed from a network perspective. The most central broker in the early formation of the NTEU was clearly Grahame McCulloch. McCulloch, the general secretary of UACA at the time, was the first to identify and publicly state the prospect of amalgamation between FAUSA and UACA (O'Brien 2003: 37). He was then the most active network entrepreneur in the organisation, engaging in many intricate negotiations to draw together the patchwork of other academic staff associations and general staff trade unions to draw them into the organisation (O'Brien 2003: 43). As the central broker of this arrangement he was able to claim one half of the most powerful role in the newly formed NTEU, general secretary (shared temporarily with Kerry Lewis from ACUSA). However, in line with Cook et al's (1983) observations, at the national level any claim on centralised power at this time was constrained by peripheral actors who were concentrated in powerful regional centres. The branch based autonomy in line with FAUSA's model and the Division offices in line with UACA and the NSW wing of FAUSA (O'Brien 2003: 43) generated regional centres and empowered semi-peripheral actors who had considerable influence within the NTEU. In the discussion of the NTEU amalgamation and negotiation of round one of enterprise bargaining in chapter six, there was evidence of these regional power centres flexing their muscle against centralised power. South Australia caused considerable disruption during amalgamation (O'Brien 2003: 44) and James Cook University and University of Western Australia both defied national discipline to sign up to a Local Framework Agreement in the earliest days of enterprise bargaining (McCulloch 23 December 1993).

Sanctions and counter-sanctions

Network entrepreneurship at this time could be swiftly sanctioned. Reviewing the discussion from chapter six, on 12 November 1993 the newly formed National Executive faced its first controversial decision: a very important decision about whether to lift a

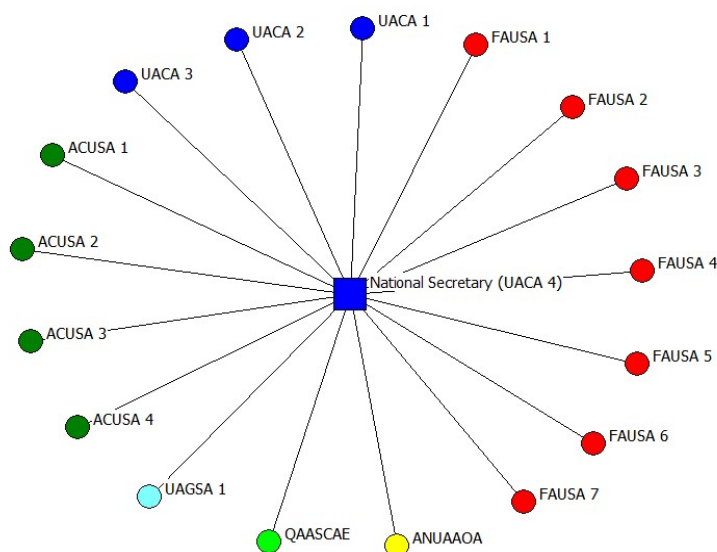
nationwide ban on exam results in line with a directive from the Commission (NTEU NE teleconf Minutes 12 November 1993). This discussion can now be revisited using a network analysis. Figure 2 below is a simple diagram of the make-up of that telephone conference on 12 November 1993. Each participant is codified by their constituent organisation. The National Secretary, Grahame McCulloch (UACA 4), arguably the most powerful broker, is depicted at the centre of the meeting. McCulloch was pivotal in the negotiations that determined the make-up of the National Executive. He was also the lead negotiator with the AHEIA and, with considerable industrial relations experience he was well in his comfort zone when he reported the detail of the Commission hearing. From his privileged position in the network he also had the most up-to-date information to report to the meeting. However, as is immediately obvious in figure 2 below, although McCulloch may be at the centre of the committee, his influence was constrained by semi-peripheral actors. Each other participant is a representative of their respective branches and divisions and therefore the broker between the National Executive and the membership who were upholding the bans. There is another complicating factor. Another powerful broker on the committee was Di Zetlin (FAUSA 1), the former general secretary of FAUSA. McCulloch experienced firsthand the potential limitation of the most central position. McCulloch was in favour of maintaining the bans. However, when three participants (1 ACUSA, 1 UACA and the ANUAAOA rep) had to leave the meeting early, it was clear that FAUSA “had the numbers”. As chair of the meeting, Di Zetlin moved the meeting to a vote where FAUSA voted as a block to lift the bans. Using Coleman’s framework a tightly knit group used their stronger relationship to act in concert in pursuit of shared goals and to sanction the network entrepreneur who had attempted to violate their norms (Burt 2001: 38).

In the aftermath of this meeting, McCulloch again tried to exercise his power as most central actor. McCulloch sought to sanction what he felt was a breach of trade union practice (the “use of numbers” to push through a decision without broader consultation) by exercising his *degree centrality* (his ability to communicate directly with others) McCulloch attempted to go around the close-knit unit within National Executive (semi-peripheral brokers) to communicate directly to the next layer of local leaders within the NTEU. In a memo to the key representatives in the broader NTEU network (which did not include all members of National Executive), McCulloch reported the National Executive decision to lift

the exam bans pointing out “that several members were deprived of voting rights” and that to enact the National Executive’s decision branches would be required to conduct mass meetings of members or delegates to consider the recommendation (McCulloch 15 November 1993). McCulloch thereby breached another deeply held FAUSA norm, branch based autonomy, and thus sparked a counter-sanction. There was an angry exchange of letters between McCulloch and Zetlin and other FAUSA representatives. Interestingly, exchanges of words like “trust”, “improper”, “acceptable”, “disappointed”, “partisan”, “relationship”, “courtesy”, “behaviour” all point to the breach of tacitly understood boundaries and norms. What came next was a protracted formal process in face to face meetings of the National Executive to determine democratic protocols and the conduct of teleconference meetings (NTEU NE Minutes 19 November 1993).

It is in this way that the new National Executive began to establish new collective norms and potentially out of this process began to form the kinds of strong relationship ties required for shared learning (and also for sanctioning other “incursions” in the future). This situation is a reminder of an important point when analysing two-mode network data: two people who frequently attend the same meetings do not necessarily agree, share close bonds or like each other. This is why it is important to be clear on the attribute being studied here: the exchange of “know how” within the NTEU. This bitter exchange actually had important learning outcomes for the newly formed National Executive of the NTEU. The National Executive developed explicit processes and procedures to enable easier decision making in the future. But perhaps more importantly, over time these formal processes would likely become tacitly understood norms, the “shared approach” to problem solving that is necessary for group learning. This “negative” exchange created the conditions for a positive learning outcome.

Figure 2 National Executive teleconference 12 November 1993



Empowered semi-peripheral actors

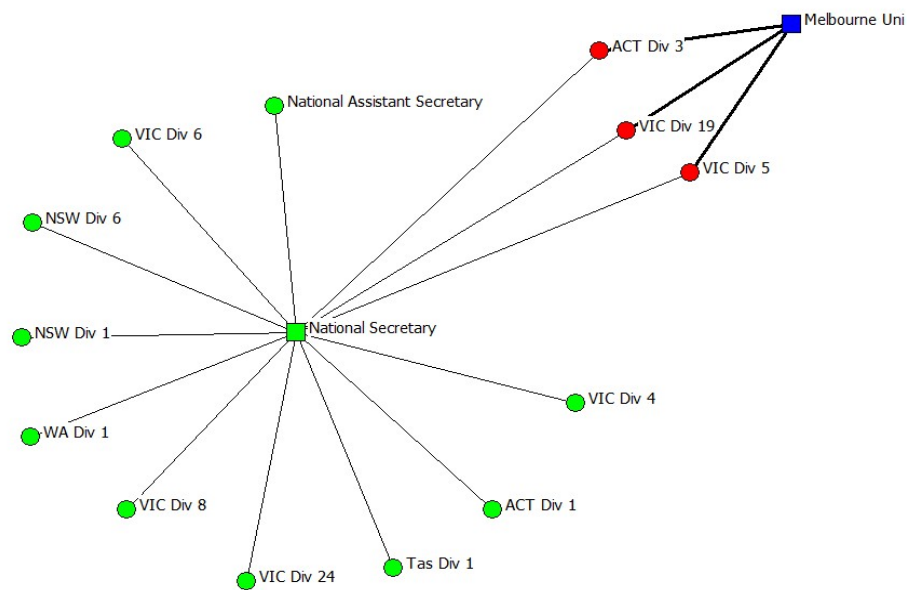
The power of semi-peripheral actors within the NTEU was evident once again when it came to implementing the leading sites strategy in round two (discussed in chapter eight of this thesis), but with very different outcomes. In this case, the majority of National Executive representatives (as the central-most node) were powerless to assert their will over a maverick semi-peripheral broker. Figure 3 below is a simple diagram of the dynamic at work where even a clear majority on National Executive could not overpower the influence of the semi-peripheral actor. In round two, the Victorian Division and the local leadership of University of Melbourne resisted the discipline of the National Executive when they moved to endorse the University of Melbourne agreement despite the fact that it breached the mandatory settlement points ratified at National Council. A semiperipheral actor therefore experienced veto rights over the wishes of the national organisation by virtue of their position in the network. Any number of censorious motions and memos could not overcome the power of the broker. One interesting aspect of this situation is the shift in Grahame McCulloch's position. This time, the National Executive voted to empower Grahame McCulloch to overstep the semi-peripheral actor to go the University of

Melbourne and appeal directly to a mass meeting of members. What was once an unconscionable violation of branch autonomy was now a sanctioned act in defence of national unity. An important shift in the norms of the National Executive had occurred since amalgamation. There were two elements to this new norm: first, was the need to maintain national unity against the decentralizing influence of enterprise and second, was the need to adhere to the discipline of national democratic decisions. Both of these elements had been explicitly debated and agreed upon in round one. The National Executive was becoming less of a confederation of varying constituent groups and increasingly learning to act as a united group. Lessons learned during the earlier years were becoming enculturated. As the situation at Melbourne University demonstrates, this process was uneven.

The power of semi-peripheral actors has important implications for organisational learning in the NTEU. The debate on National Executive regarding the Melbourne University agreement was not restricted to the issue of national discipline or to the particular clauses that could or could not be endorsed at Melbourne University. The debate at this time contained important arguments about appropriate trade union strategy at the branch level. Adrian Ryan, John O'Brien and Mike Donaldson among others argued strongly for the need for an industrial campaign to defeat the Melbourne University agreement. Ryan's argument was directed at the local leadership of Melbourne University which he argued had proven it was not "able or willing to organise" an industrial campaign (Ryan letter tabled at NTEU NE minutes 26 March, 1997). The unwillingness of the semi-peripheral actors to heed this advice hindered the ability of the NTEU to spread a culture of industrial militancy (a culture in existence at other campuses around the country) to the Melbourne University campus. Ryan, O'Brien and Donaldson were reliant on a secondary broker (McCulloch) to communicate this lesson to the membership at Melbourne University. Although McCulloch was able to gain some concessions by appealing directly to the membership, he was unable to effectively transmit the important lessons about ways to develop leadership capacity and membership engagement necessary for industrial action. As the qualitative study in earlier chapters indicated, it is likely that the embodied "know how" of trade union leadership articulated by Ryan, O'Brien and Donaldson which had been learned in communities of practice over time could not be transmitted in a one-off mass meeting of members via a broker. Moreover, it is likely that the local Melbourne University leadership had a closed

network around them at the branch level resistant to the input of an external broker. Further, as Brown and Duguid point out in their analysis of “sticky” and “leaky” knowledge, it is communal understanding built from shared practice and experience that most readily transmits “know how” (2001: 207). Although McCulloch had extensive experience in national negotiations but very limited experience in leading and organising at the branch level. Further, once a very different practice had been established at Melbourne University, the campus was not “speaking the same language” as other activists in the NTEU. Crucial “know how” was almost certain to be lost in transmission from activists from other branches on the National Executive to local leaders and members in the Melbourne University branch.

Figure 3 National Executive: implementing the leading sites strategy, round two



Increasing influence through diversification

A network analysis of the NTEU at this time can be used to analyse another important aspect of influence within a network: diversification. Diani has used network theory extensively in his studies of social movements. In his study of the environmental movement in Milan in the mid-1980s, he identified the ability of an organisation to diversify its scope of interest as a significant way to increase its influence within a social movement: so those

environmental groups which tackled both urban ecology issues and traditional conservation issues enjoyed greater influence in the broader social movement (Diani 2003: 108). This observation can be adapted to offer insight into this discussion. Those individuals who were able to traverse the industrial (Industrial Matters Committee) and the political (National Executive) built broader ties and were able to enjoy greater influence as brokers between these two key aspects of the NTEU's core business. Further, as the regulation of employment relations in higher education became increasingly industrial those who learned to speak both languages coped better with the transition.

Figure 4 below is a two-mode network (individual attendance at meetings) of the NTEU for enterprise bargaining strategy from the period of NTEU amalgamation and round one of enterprise bargaining: the Industrial Matters Committee and the National Executive. For illustrative purposes the National Secretariat and National Industrial Unit have also been added as nodes. As the figure shows, there were a number of brokers between these two major committees. In line with the previous observation, those individuals who diversified between the industrial and political wings of the national NTEU over time increased their influence within the NTEU. Among the elected representatives (green squares) brokers between the Industrial Matters Committee and National Executive is Grahame McCulloch (National Secretary), National Assistant Secretary, Kerry Lewis (ACUSA 1), future National President, Carolyn Allport (FAUSA 1) and other central players, Bill Ford (FAUSA 4) and Howard Guille (QAASCAE). The other obvious brokers were members of the National Industrial Unit. As discussed in chapters six, the National Industrial Unit was responsible for compiling detailed industrial reports for the consideration of both the Industrial Matters Committee and the National Executive and for communicating the industrial components of these decisions to the broader organisation. An interesting feature of figure 4 is the mirror images of the National Secretariat and the National Industrial Unit as the subgroups that bind the Industrial Matters Committee to the National Executive. In some ways these two subgroups mirror each other's role: the National Secretariat performed a political role via embodied knowledge and the National Industrial Unit conveyed the industrial/codified side of the knowledge transmission between the Industrial Matters Committee and the National Executive.

Figure 4 Round one enterprise bargaining – 2 mode network

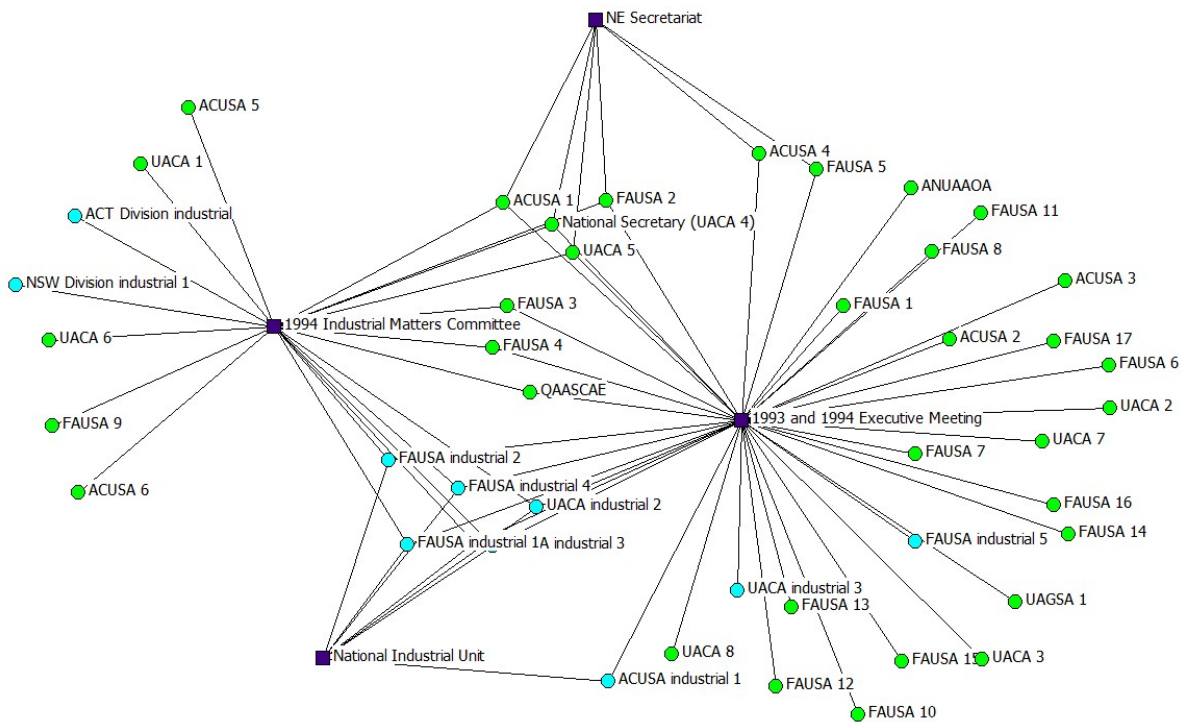
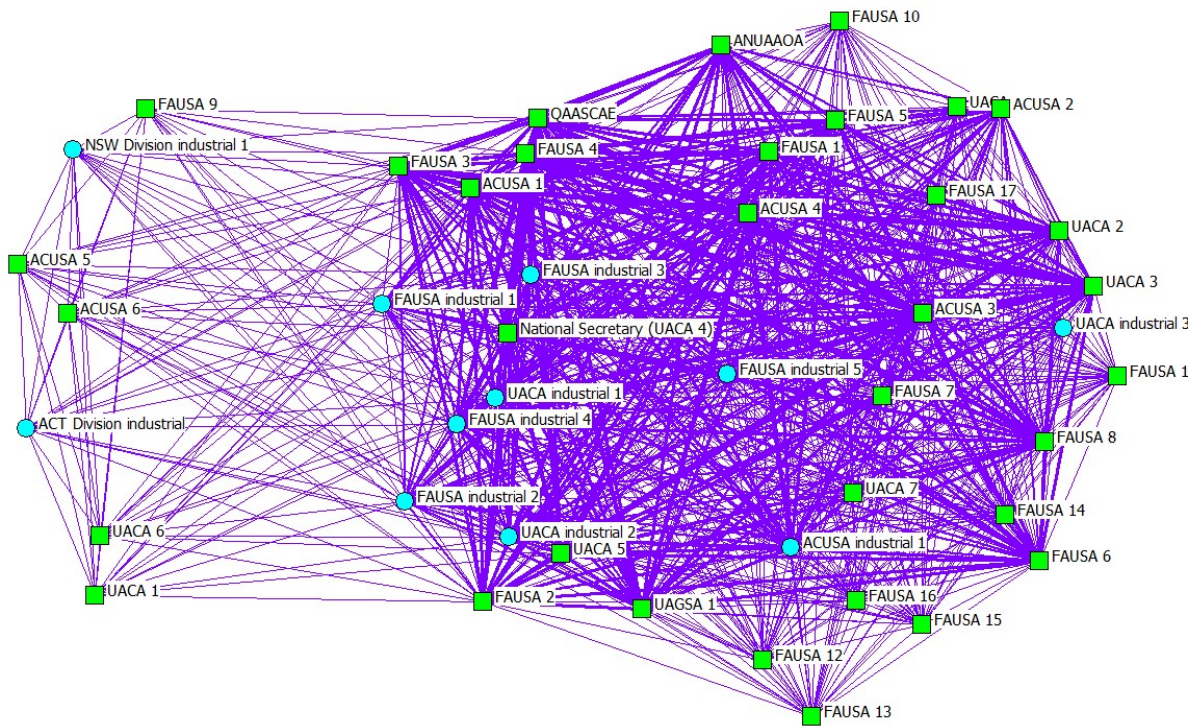


Figure 5 below has converted the 2-mode data (members within meetings) from figure four to one-mode data (person to person relationships within those meetings). There is a line between those individuals for each time they attended the same meeting and the thickness of the tie is calculated in line with frequency of contact. On the right hand side is the National Executive, showing quite dense ties among them. There is a close group forming among the National Executive and secretariat (within the cluster to the right) and a looser cluster of individuals on the left which is the Industrial Matters Committee. This network will be discussed again later to analyse the changes in these ties over time.

Figure 5 Round one enterprise bargaining – 1 mode data



Radical innovation to respond to changes in the environment

Round two of enterprise bargaining was characterised by massive change in the external environment with the victory of the Coalition government in March 1996. The Coalition’s *Workplace Relations Bill* fundamentally changed the industrial relations environment for the NTEU whilst a 5% federal budget cut to higher education defeated the NTEU’s round one wages strategy. Chapter seven of this thesis discussed the various attempts by peripheral actors from the NSW Division to influence the strategic direction of the NTEU to respond to these dramatic changes. In the contest for influence there were both successful and unsuccessful attempts to influence the strategic direction of the organisation. These discussions will now be revisited using a network analysis. How can the relative conservatism of the national leadership of the NTEU at this time be explained? Why did the Industrial Matters Committee and the National Executive of the NTEU resist the input of the NSW Division?

Granoveter in the 1970s introduced an important concept to social network theory, “the strength of weak ties”. He argued that it is often through quite weak, transitory ties that

new and different information is made available (1974: 54 quoted in Scott 2000: 35). Granoveter's observation intersects nicely with the observations of researchers discussed in the knowledge management literature who argue that radical innovations rely on input from outside established groups. In line with activity theory, "constant ties" run the risk of developing "group think" and can become stuck in their ways (Leonard and Sensiper 1998: 118; Swan, Scarbrough et al. 2002: 478), whilst, applying Granoveter's "strength of weak ties" (1974: 54 quoted in Scott 2000: 35), some transient relationships may offer information that have a pivotal impact on the fortunes of an individual or organisation. However, Granoveter also pointed out that ideas that are radical which come from marginal forces may be considered highly deviant and can be dismissed by those in privileged positions in the network or resisted by close-knit groups (1973: 1367). Often therefore a marginal idea will require the backing of leaders or brokers in order to be adopted. Other researchers have argued that it depends on the level of risk associated with adoption of the idea: where an innovation is considered safe and uncontroversial, central figures are more likely to adopt it quickly but where there is high risk, marginal operators will be the earliest to take it up (Gravonetter 1973: 1367).

These observations may help to explain the NTEU's resistance to change at this time. Figures 6 and 7 below are two depictions of the full network engaged in enterprise bargaining strategy. Figure 6 is a 2-mode data network depicting individual attendance at meetings, and figure 7 is a 1-mode network depicting individual to individual contact within the meeting structure. What can be learnt from these networks? There are two issues at work here. In the 1-mode network below (figure 7), the thickness and length of the lines joining individuals is related to their regularity of contact in meetings. In comparison to round one network (figure 5 above) there has been a tightening of the network around the National Executive. One possible reading of this structure is that the national leadership has coalesced into a more centralised, stable grouping which is potentially therefore less open to new approaches. Key brokers between the National Executive and the Industrial Matters Committee (both elected representatives and industrial officers) have moved more tightly into the central national grouping. Meanwhile, peripheral members of the IMC (VIC Div 5, SA Div 4, QLD Div 2, ACT Div 4, VIC Div 2, SA Div 2) have moved slightly outwards towards the perimeter of the network.

Perhaps a more important feature of figure 7 is the change over time, with constant ties forming among the inner circle. In figure 7, those who were actively engaged in round one strategic decision making at the national level have highlighted in red to show the emergence of long term ties at the national level. Those in red had therefore been working together at the national level for at least three or four years. Furthermore, several individuals who had been at the periphery of the network in round one had been pulled in more tightly to the centre, most notably Ted Murphy (VIC Div 4 formerly UACA 1) who went on to become National Assistant Secretary. Figure 7 therefore shows the development of “constant ties”. For new ideas to break into this group they must gain uptake by key brokers within the network. As discussed in chapter seven, key brokers in the National Industrial Unit and Grahame McCulloch were opposed to the NSW proposals and therefore the proposals were rejected. It is possible that the stable centre perceived the alternative approach coming from the outside as too deviant or too risky to be readily adopted. The NSW Division’s “Survival Committee” demanded dramatic changes to the NTEU’s approach to combat the Workplace Relations Act. Their argument to certify all award conditions into locally negotiated enterprise agreements may have been seen as a fundamental threat to national unity. The bonding tenet of the national leadership coming out of round one was a commitment to maintaining national unified wages and conditions. By round two, it appears this norm had crystallised and grown brittle. On some level, it is likely that the national leadership perceived this opposing opinion as a fundamental threat to their tightly knit group and in turn to the national organisation. How could the union maintain national unity if it lost its binding commitment to the award system?

Another difficulty for the NSW Division was the relatively weak ties that linked it to the National Executive and Industrial Matters Committee. Figure 6 (2 mode data) shows that there were just three elected representatives acting as brokers between the two groups: NSW Div 1, NSW Div 2 and NSW Div 3. Two of those three had also been involved in round one. The knowledge management discussion in this thesis outlined that the success of boundary spanners (or brokers) is dependent on the individual abilities of the brokers themselves to interpret and translate two different languages (Tushman and Scanlan 1981: 292). However, as has been shown in various ways during this chapter, it is likely that the

individual's position within the network has a greater impact on whether that individual or group can gain influence than their individual ability to communicate. In trying to influence the NTEU to respond to the Workplace Relations Act, it is likely that personal ability was not at issue as the centre of the network was closed off to radical new approaches. As discussed in chapter seven, the NSW Division pursued their approach on the floor of National Council where clause by clause they got their framework approaches adopted. As has already been found, the looser structure of National Council, which was not bound to practices of the past and more open to the external environment, more readily adopted the NSW position.

Figure 6 Round two network – two mode data

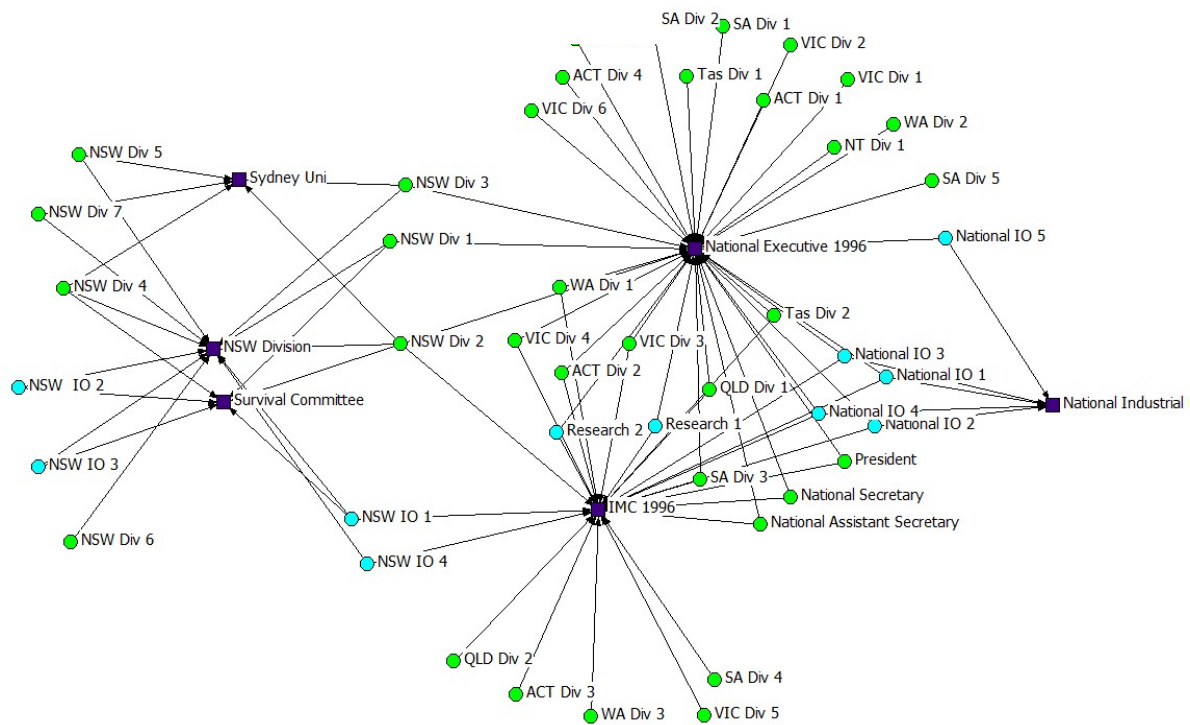
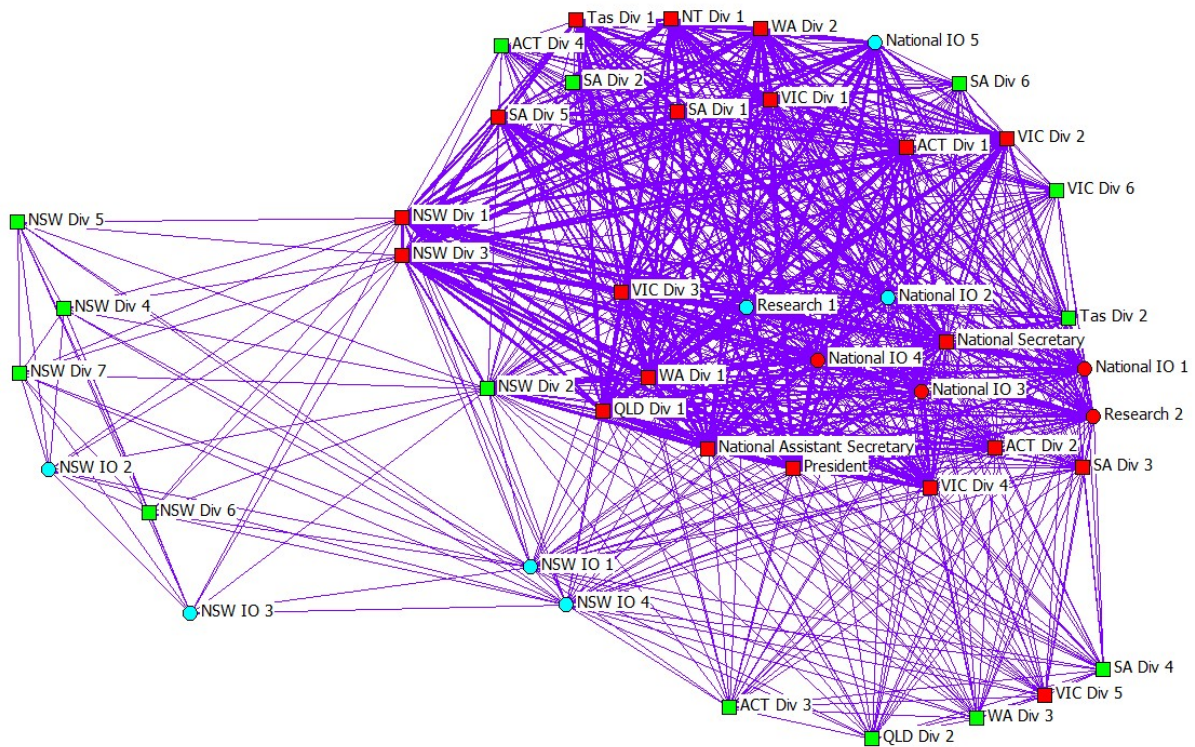


Figure 7 Round two network – one mode data



Increasing the network

In the lead up to round three, the NTEU opted to increase the number of members engaged in strategic decision making for the NTEU. Figure 8 below is a two-mode network which shows that the major sources of increased engagement were the enterprise bargaining conference and the leading sites committee. The enterprise bargaining conference involved the lead negotiator and the branch president of each institution, Division secretaries and industrial staff responsible for bargaining support, a representative from WAC and the Casuals network and all national executive members (NTEU National Council papers 2-4 October, 1997). The difficulties encountered at Melbourne University and other, lesser incursions on the national strategy during round two were the primary drivers for a change of approach. The explicit goal of the national bargaining conference decided at National Council was to draw those involved in local negotiations closer to the establishment of bargaining policy at the national level. Individual reference groups were also designed to shore up commitment of broader sections of the NTEU to the NTEU's mandatory settlement points by engaging them directly in developing the claims. The reference groups as shown

in figure 8 developed the core elements of the NTEU's demands on: salaries, superannuation, casualisation, academic and general staff workloads and modes of employment. From a network perspective, the NTEU was attempting to unite all empowered semi-peripheral actors (local branch leaderships) around an agreed national strategy. Furthermore, as Melbourne University showed, the national strategy could be held hostage to just one or two semi-peripheral actors who were the local leaders of an institution. Opening up the network to draw erstwhile peripheral actors into the discussion in effect lessened the power of individual semi-peripheral actors by opening up alternative paths to reach the membership. From a learning perspective, potentially the enterprise bargaining conference developed more brokers to transmit bargaining "know how" between the national decision making body and the membership in the branches. However, as discussed in chapter nine, when it came to negotiating round three agreements, commitment to the nationally determined mandatory settlement points was only one aspect of what was required. Many campuses lacked the strategic capacity, among both leaders and members, to wage the campaign necessary to win these demands.

The purpose of the leading sites committee was to bring branch based leaderships from the front-runner institutions into group discussion to formulate strategy. Once again the prospect of "know how" leaking (Brown and Duguid 2001: 207) among like practitioners might have assisted learning at this time. "Know how" could readily be transmitted among branch leaderships from the leading sites who were sharing similar challenges and experiences. The leading sites committee is where these activists could share stories, exchange information and strategise. Chapter seven of this thesis discussed the mixed experience of the leading sites committee. The leading sites committee was a major source of innovation for the NTEU at this time. However, from a network perspective, the key difficulty with the leading sites committee was that as leading sites from successful branches achieved their agreements they progressively withdrew from the leading sites committee. Therefore the most important committee for developing bargaining strategy experienced high turnover. The stable close knit group required to assimilate "know how" was not adequately established. Furthermore, by their nature, more successful branches with arguably more skilled local leaderships were the first to gain their agreements and withdraw from the committee taking their "know how" and new strategies with them. The

final leading sites committees were dominated by representatives from the lagging sites.

The leading sites committee demonstrated once again the difficulties in transmitting “know how” via semi-peripheral brokers (local leaderships) to influence behaviour in the branches. In chapter seven, John O’Brien’s experience at ANU and the University of Canberra were used to analyse the level of experience and skill required to lead a branch through enterprise bargaining against hostile managers. Attempting to quickly educate inexperienced branch leaderships in the myriad of intricate relationships and instincts required and to effectively guide branch leaderships was not possible from the leading sites committee. This difficulty was compounded by the very difficult external environment. Those leaders from previous rounds of enterprise bargaining, including the leading sites, were unlikely to have encountered the aggressive anti-union tactics of the new guard of Vice Chancellors and senior managers that characterised the experience for the lagging sites. The “know how” to tackle this was unlikely to be found within the NTEU at this time.

Loosening the constant ties

It is significant that the recommendation both for the enterprise bargaining conference and for the leading sites committee came from semi-peripheral actors (ACT and NSW Divisions) who had firsthand experienced of the resistance to new ideas of the Industrial Matters Committee and the National Executive during round two. The most notable change in the network in figure 8 from previous rounds is the disappearance of the Industrial Matters Committee. The Industrial Matters Committee, dominated by constant ties, had become resistant to new ideas and did not represent the branch leaders directly engaged in enterprise bargaining in the branches. As the industrial relations framework moved closer to the branches, these branches required greater representation in strategic decision making. The leading sites committee was also about uniting those who wanted to move quickly to secure agreements against a perceived complacency among the national leadership. The Industrial Matters Committee was therefore replaced with the more responsive leading sites committee.

The organisation needed to loosen the close-knit group at the national level to open it up to

the external environment and expose it to new ideas from the periphery of the organisation. Figure 8 shows that this had occurred with a much less centralised structure with many centres for influence. The one-mode network in figure 9 verifies this trend showing many more individuals at the centre of the decision making process. However, although figure 9 shows many interpersonal ties, caution is needed when interpreting these ties. As with the discussion of the leading sites committee, these ties should not be confused with the “constant ties” or closer knit ties evident in the committees in previous rounds. The nature of the relationships among participants at a large one-off conference such as the enterprise bargaining conference where individuals may have only interacted briefly if at all is fundamentally different to the ties built by a regular smaller group discussion where it can be certain that individuals definitely did interact in some way.

Radical innovations and confident branch leaderships were needed at this time to defeat the increasingly hostile local managements. This required the free flow of new ideas and “know how” as well as stable communities of practice at both the branch and national levels to assimilate this know how. As figures 8 and 9 show, there were likely many new ideas and “know how” flowing among this much larger network. However without the cohesion provided by closer knit groupings there was nowhere for these ideas to be properly embedded and assimilated. Therefore, there were two clear difficulties for the NTEU. Firstly, at the national level: how to solve the problem of “group think” associated with constant ties without losing the benefit of closer knit groups. Secondly, at the branch level: how to grow the communities of practice at the branch level necessary to build the strategic capacity of the leadership and membership in the branches to cope with enterprise bargaining. By their nature communities of practice are organic and naturally occurring; they are unlikely to be artificially developed from the outside via a national committee. Is it possible that these two seemingly separate difficulties are related? This chapter will return to this question later in the discussion.

Figure 8 Round three network – two mode data

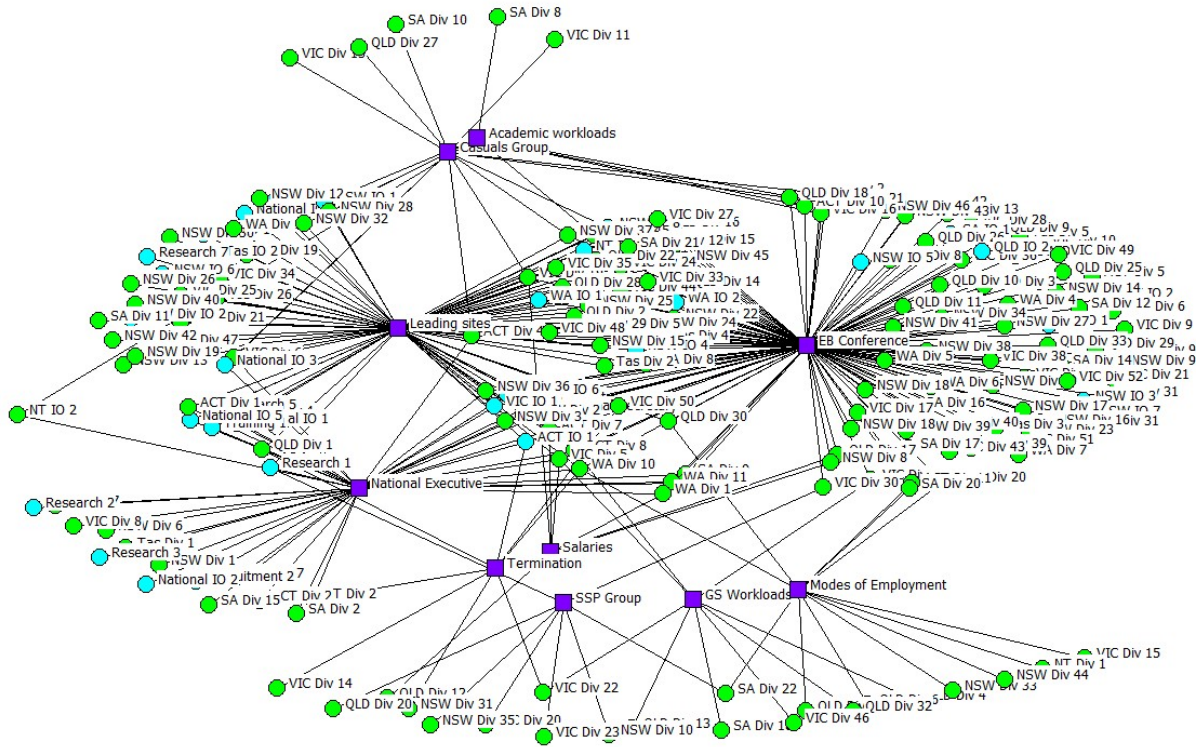
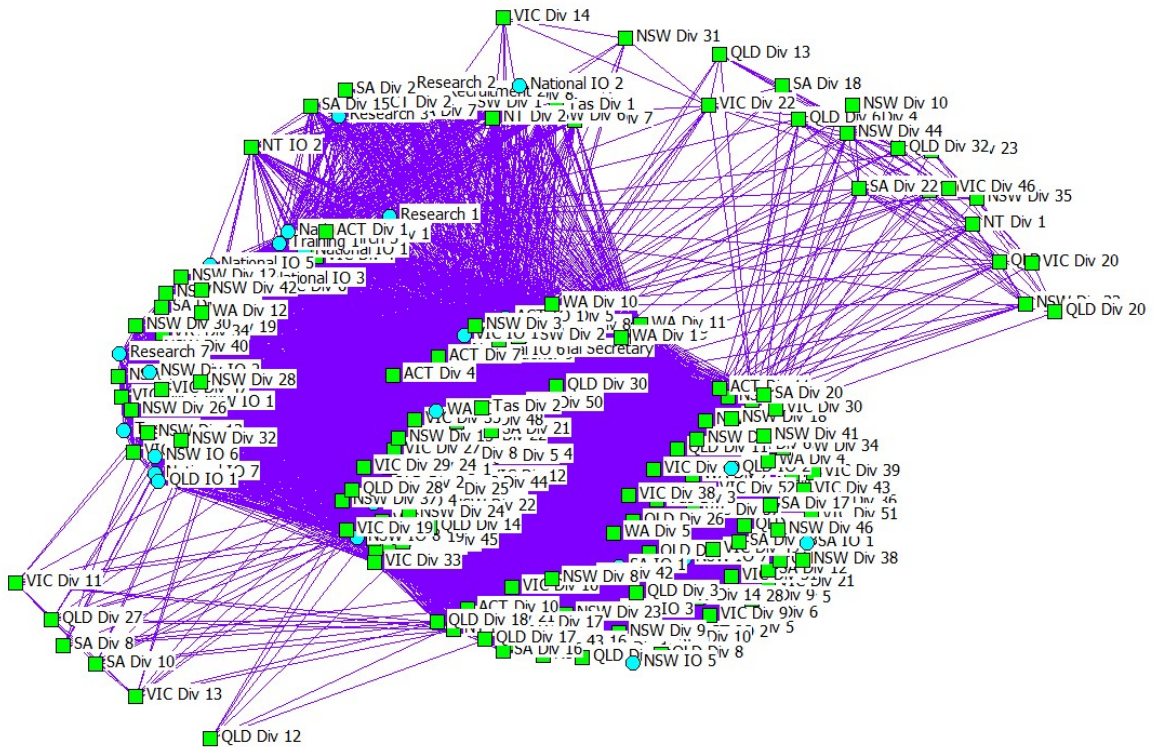


Figure 9 Round three network – one mode data



Network vulnerability

The inability of the NTEU at the national level to develop a new, more responsive community of practice to replace the closed ties continued into round four which in turn produced a new difficulty: network vulnerability. Network vulnerability measures the extent to which the network is beholden to key points or actors for the flow or resources (Cook, Emerson et al. 1983: 299). A network is vulnerable if the removal of key actors fundamentally threatens the flow of resources (Cook, Emerson et al. 1983: 299). Also a network beholden to a few key actors to hold it together also becomes vulnerable to control as those key actors could potentially withhold or distort information within the network (Cook, Emerson et al. 1983: 299; Burt 2001: 36). As discussed earlier in the chapter, a network characterised by structural holes can also be vulnerable to network entrepreneurship as individuals may strategically position themselves to bring together otherwise disconnected contacts (Burt 2001: 36). Figure 10 below shows that the NTEU has maintained the same basic decision making structure from round three in preparation for round four: the national executive and a large enterprise bargaining forum with a series of reference groups devoted to developing policy around specific issues: workloads, modes of delivery, environment, casuals, etc. With the inclusion of more general staff in the NTEU there was also another large forum, the general staff forum. At the centre of this network of groups, a small number of individuals were holding this network together. From among the elected representatives (green circles) it appears that just three members of the national secretariat are the links among these many different groupings: the National Secretary, the President and the National Assistant Secretary. Another small number of industrial officers (blue circles) are also at the centre of the structure: National IO 3, National IO 9, NSW IO 4 and NSW IO 6.

What can be interpreted from this? The first obvious point about the network is the high numbers of individuals at the periphery of the network. Peripheral players were held into the network by virtue of their attendance at a two-day conference or through their participation in a reference group. Whilst these individuals may or may not have been better connected at the branch level, at the national level their ability to contribute to a

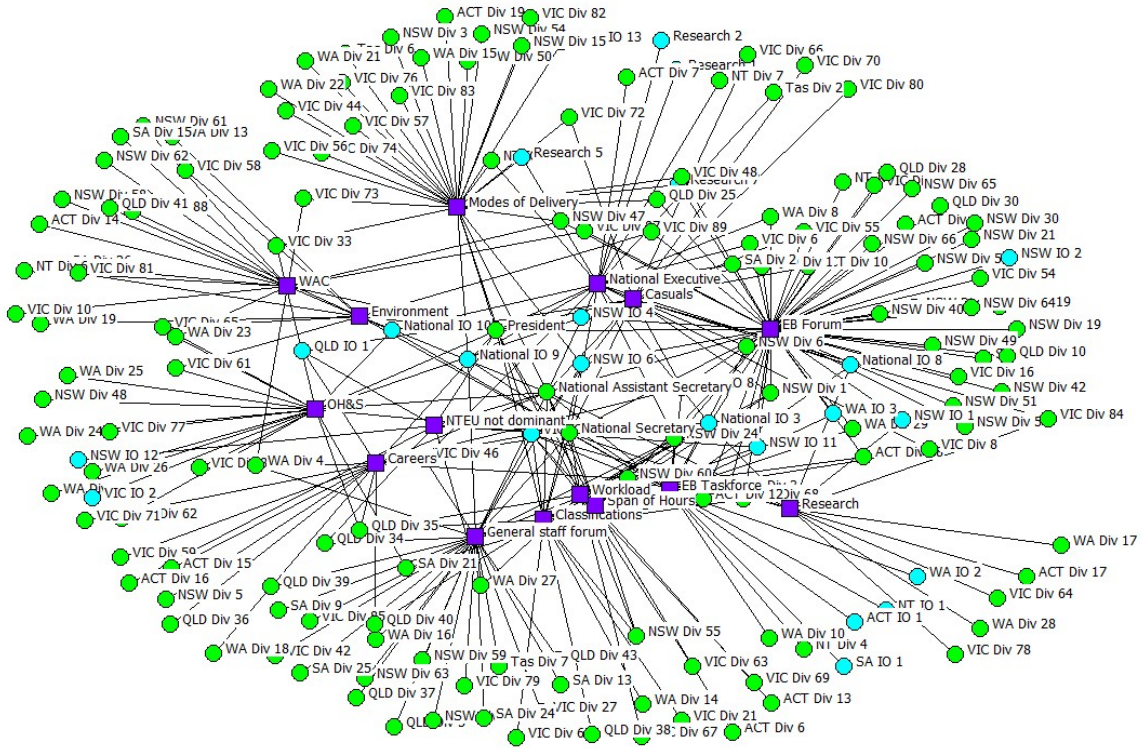
national strategic discussion was constrained by virtue of their powerless position within the network. As discussed in chapter nine, there were high levels of turnover of these peripheral actors between rounds three and four. This chapter also identified the problem generated by the reference groups: they were designed to develop lists of demands not strategies on how to achieve those demands. By appealing directly to greater layers of the membership through the various bargaining forums, the central leadership has overcome its dependence on local branch leaderships (as semi-peripheral actors) to influence the broader membership. However, sidestepping the local leaderships does not build the capacity of those local leaders. Further, as with round three, appealing directly to the membership from the national level would not develop the cohesive communities of practice necessary for building the strategic capacity of both members and leaders in the branch that was required to cope with enterprise bargaining.

Centrality equals control or powerlessness?

Taken from a traditional social network analysis where centrality equals power, arguably figure 10 shows power concentrated in a handful of individuals. From this framework, the NTEU network has become increasingly vulnerable to key actors whereas in the early days of the NTEU regional centres mediated this control. However, taken from the perspective of network dependency, the most central actors are surrounded by peripheral and semi-peripheral players. Whilst the peripheral players have low levels of influence and engagement, there were a number of possibilities open to the semi-peripheral players whose importance at the branch level had increased under enterprise bargaining. Semi-peripheral players could: ignore national discipline, unite against it or work around it. From this perspective, the position of most central actor might be seen as a position of strain or even paranoia: trying to hold the peripheral players in whilst keeping a sharp eye out for semi-peripheral network entrepreneurs and attempting to unite all semi-peripheral actors behind a common strategy. Ironically, as discussed in chapter nine, the solution was temporarily provided by the unifying, mobilising impacts of the Liberal government's HEWRRs legislation. Luckily for the NTEU, these most central brokers were among the most experienced representatives in the organisation who had learned (through communities of practice built over time) how to lead a national campaign.

As with round three, whilst there was the potential benefit of opening the NTEU up to the input of many more individuals and therefore potentially many more important ideas, from a network perspective what appears to be missing are the stable close knit groups required to synthesize these ideas. What is also missing from this network is the input from empowered semi-peripheral actors such as the Survival Committee or even the Melbourne University leadership. In rounds one and two robust debates around the various approaches and challenges generated by these regional centres was the source of innovation. The loss of these regional centres appears to be linked to the receding of the “old guard”, the original members from the formative years of the NTEU. These participants were often the ringleaders of debate and dispute. At times very heated debate also enabled the breaking of old “frames” or norms which lead to formal clarification and over time the development of new norms. Returning to the theory of “creative abrasion”; the clash of ideas within heterogeneous groups that were focussed on solving problems (Leonard and Sensiper 1998: 118) was a major source of learning for the NTEU. This idea might even be taken one step further to argue that the tacit understanding that robust debate was a source of learning for the NTEU was itself a form of “know how”. The experienced old guard certainly never shied away from it.

Figure 10 Round four network – two mode data



Summary

This chapter has revisited the minutes and reports of the meetings devoted to enterprise bargaining strategy during the period 1993 to 2005 using a very different approach. Using the attendance lists of decision making meetings, this chapter has conducted a network analysis of the individuals and groups involved in strategic decision making to build a greater understanding of the learning process in the NTEU. The purpose has been to dissect which elements of the NTEU’s decision making structure might have enhanced and which might have inhibited the flow of “know how” and therefore the learning process in the NTEU. This chapter has enlisted key concepts from network theory to analyse how issues of network centrality, power and influence, the ability of individuals to increase their influence through

diversification, the flow of new ideas and of network dependence and vulnerability might have impacted on the learning process in the NTEU. This chapter has also enabled an analysis of the NTEU network over time to observe the way in which the NTEU has attempted to shape its processes to respond to the challenges of the external environment and how these changes have impacted on the learning process in the NTEU.

Enlisting a network analysis of the NTEU has unearthed a recurring theme for this thesis: the tension between branch-based autonomy and maintaining national unity in the NTEU. Both the qualitative study and the network analysis have revealed that this tension was as much about the difficulty of ensuring union capacity at both the national and branch levels as it was a question of trade union democracy and governance. Approached from a national perspective, developing an effective national strategy relied on the input of effective leaders at the branch level. Meanwhile with the decentralisation of employment relations in the sector, there was little benefit in developing an effective national strategy if there was not adequate capacity among the leadership and membership at the branch level to deliver it. This thesis has therefore identified two clear challenges for the NTEU: firstly the need to establish a responsive leadership at the national level and secondly the need to develop trade union capacity at the branch level. Attempting to develop both of these in a short space of time in turn generated two difficulties for the NTEU.

Firstly, at the national level there was the difficulty of attempting to solve the problem of “group think” associated with constant ties without losing the benefit of closer knit groups. When the National Executive and Industrial Matters Committee proved too closed to adapt to the external environment, they were replaced with the much larger Enterprise Bargaining forum which engaged many more semi-peripheral and peripheral members and the much more flexible leading sites committee which engaged leading negotiators from each branch. However, as more and more peripheral individuals became involved in enterprise bargaining discussions, there appeared to be a composite decline in the close-knit groups necessary to realise the potential of their input. High turnover on both the large forums and the leading sites committee made it difficult for the NTEU to develop the relationships and to embed the norms and practices necessary to enable learning.

The second major difficulty was how to quickly grow trade union capacity at the branch level. The NTEU attempted to address this by dramatically increasing the network of branch members directly involved in strategic decision making at the national level. However, this approach generated a new problem: network vulnerability. It became increasingly difficult at the national level to hold these peripheral individuals to the national organisation and to encourage them to act in unison. However, with the decentralisation of the sector and the concentration of bargaining at the branch level, what was actually needed was to grow the communities of practice in the branches necessary to build the strategic capacity of the leadership and membership to cope with enterprise bargaining. By their nature communities of practice are organic and naturally occurring; they are unlikely to be artificially developed from the outside via a national committee. Returning now to the question asked earlier in the chapter: how might these two issues be related?

Throughout this thesis the need to focus on the *relationship* between the leadership and the membership has been key. The lack of capacity at the branch level, particularly its leadership capacity, had a direct relationship to the difficulties at the national level. Confident local leaders from branches around the country, with strong ideas on how best to navigate bargaining at the local level, would generate debate at the national level and deliver the creative abrasion necessary for innovation and to prevent “group think”. From a trade union governance perspective, confident local leaders would challenge the closed ties and insist on a democratic say over enterprise bargaining strategy at the national level. There was some evidence of this battle for influence in the earlier years of the NTEU. However, there was also evidence of the local leadership’s influence over national decision making receding over time. But which came first, the receding of confident local leaders willing to push to claim national responsibility or the collapse of the structures at the national level that might enable it? This is unclear. However, what this chapter has revealed is the NTEU’s attempts to solve this problem by changing the structure of its decision making network did not assist the NTEU’s capacity to learn.

This chapter has also unearthed what might intuitively seem an unlikely source of learning for the NTEU: internal conflict. Open combat characterised the early days of the NTEU as various groups sought to sanction and discipline semi-peripheral actors and network

entrepreneurs. Whilst the conflicts may have been unpleasant, from a learning perspective they performed a vital role in developing new norms and cultures. Over time, conflicts and compromises could arguably produce a shared world view or approach to facilitate further learning. Of course these new norms in turn might be challenged by the input of another wave of new ideas inspired by the challenges of the external environment. Perhaps this is how adapting to change is done: new ideas conflict with old norms, in turn generating new norms which produce the conditions for another wave of conflict and so on. One likely explanation for the loss of conflict/learning was that as the closed network of “old guard” NTEU members receded, the open networks of the new period did not allow the preconditions for a “new guard” of combatants to be developed.

Chapter Eleven

Conclusion

The introduction of enterprise bargaining was a major shift for all unions in Australia away from the industry-wide determination of wages and conditions that had been in place for nearly a century. This set of changes posed problems for all unions and perhaps especially for a body such as the newly formed NTEU which operated in a sector that had, until that time, had limited exposure to the mainstream industrial relations framework. Of key interest to this research was to ask: how do unions *learn*? More particularly, how do they develop the skills necessary to adapt to change? To answer these questions, this thesis has traced the steep learning curve that the NTEU travelled from 1993 until 2005. The earliest years of the NTEU saw the difficulties of the amalgamation process where once distinct organizations with a variety of experiences and traditions were forced to learn to work together. These early years also saw the NTEU deal with the challenge of attempting to codify a nationally unified standard of wages and conditions for all staff on the campuses into an award (including the idiosyncratic academic profession) before the decentralizing process of enterprise bargaining could erode them. Then came enterprise bargaining and the negotiation of subsequent rounds conducted against the backdrop of progressive waves of deregulation and increasingly hostile industrial relations legislation under the Coalition governments. This thesis therefore set out to analyse how the NTEU learned to navigate the introduction of enterprise bargaining and to negotiate subsequent rounds during a turbulent period in the history of higher education. What has this thesis discovered?

SUMMARY

Impacts of deregulation in the sector

Before proceeding to analyse the enterprise bargaining process, it was necessary to build an understanding of the context in which the NTEU was operating. As this research has shown, the deregulation of the sector has had profound effects on industrial relations, generating a turbulent and hostile environment for the NTEU. Chapter five revealed the scale of the

changes to the nature of employment relations during this period; the traditional notion that negotiating an employment agreement for academics might be a collegial, non-confrontational affair built on mutual trust and with no formal registration of its outcomes is almost incomprehensible today. Whilst the Dawkins revolution was the catalyst for many major changes in the sector, overall it was the introduction of market forces through deregulation, particularly of the student market, which has had the most profound impacts on the sector and those who work in it. Market forces have led to: the carving up of the sector along a spectrum of “elite” to “non-elite”, fierce competition for markets and resources among institutions, the rise of market fundamentalism and the emergence of centralised executive power concentrated around the Vice Chancellor. Market forces in turn have driven the industrialisation of academic work, casualisation, increased workloads for all staff and a loss of engagement of staff in decision making. Understanding this process has been essential information for analysing the many challenges that beset the NTEU during the period of 1993 to 2005. Overall, the impacts of deregulation was to make the environment progressively more hostile and turbulent and increasingly difficult for the NTEU to make sense of its circumstances and to formulate appropriate national strategy to address it.

Enterprise bargaining

The early years of the NTEU, the period 1993 to 1995, saw the Dawkins revolution which drove the amalgamation of the NTEU, the NTEU’s first major national industrial campaign, the “Second Tier Dispute”, and the phased introduction of enterprise bargaining with a hybrid system under the National Framework Agreement. The decisions and compromises made during the formative years of the NTEU became the foundation upon which the NTEU adapted to the many changes during subsequent years.

The first major challenge for the NTEU was learning to work together as the amalgamation of unions and associations brought with it individuals and groups with a range of ideologies and traditions. Attempts to forge relationships of trust and mutual respect whilst steering the organization through a national industrial campaign and then the first round of enterprise bargaining placed the newly formed National Executive under considerable

pressure. However, although the NTEU may have been divided on many tactical issues, these early years instilled in the organization a profound and united sense of purpose: the shared conviction that the best way to defend academic and general staff wages and conditions was through a national award system. Further, that the best way to deliver these outcomes was via one industry-wide union, the NTEU. Arguably it is these two guiding principles which steered the union through the many crises, internal arguments and challenges that followed.

The unusual structure of branches, division and national offices which was an emergent product of the negotiations required to draw the many disparate organizations into one national structure had significant impacts on democratic engagement and strategic decision-making in the NTEU. One vital element of this process was the establishment of an equilibrium process that mediated the demands of local branches represented by empowered local leaderships and the demands of the national organization to maintain national unity. This tension between local and national imperatives was the source of considerable conflict and yet was found to be a central component of the organization's ability to learn, innovate and adapt. This dual leadership also appears to have played an important role in enabling the NTEU to cope with the hybrid nature of the industrial relations legislation in these early years.

Another important development from the amalgamation process was the National Industrial Unit which from the outset was required to develop considerable specialized skill to cope with the changing industrial relations environment. One of the first steps of the National Industrial Unit was to develop an effective system for the national dissemination of codified information via industrial memos and reports which primarily relied on the shared language of industrial officers throughout the union. This system endured and was a vital component of the NTEU's ability to codify decisions and events and disseminate them throughout the organization to enable the NTEU to keep up with the steady pace of events. The learning process culminated in the National Industrial Unit's pivotal role in gaining the upper hand against the Coalition's HEWRRs mark II legislation at the end of round four.

Round two of enterprise bargaining covered the period from the end of 1995 up to National Council in late 1996. March 1996 saw the election victory of the Liberal party and the formation of a conservative Coalition government. The Coalition's *Workplace Relations Bill* fundamentally changed the industrial relations framework whilst a 5% federal budget cut to higher education was the beginning of a dramatic reduction in government funding in the sector. During this period the NTEU fought on three different fronts: attempting to implement its wages strategy, building a campaign to defend public funding in the sector and combating the *Workplace Relations Act*. The NTEU's inability to defeat the Coalition on these three fronts formed the foundation for strategic decision making in round two. Strategic decision making for round two involved drawing on the lessons learned from its experience in round one. However, it also involved "unlearning" some aspects of its approach and to adopt new strategies to cope with the dramatic changes introduced by the Coalition government.

Drawing on insights from the conceptual frames developed to guide this research, the *process* of innovation and the groups involved were closely analysed. It was this approach that revealed some perhaps surprising discoveries. The assumption that national strategy would continue to be generated by the same national bodies from round one was challenged with the emergence of key figures in the NSW Division as major players in the national discussion. An uneven process of adaptation to change was apparent in the NTEU: a tightly knit network in the national office formed the framework upon which the older strategies, both effective and those growing obsolete, were maintained. Meanwhile, the major source of innovation was a group concentrated around the NSW Division. This demonstrated how adaptation occurred in the NTEU. It was not a linear process, but one of conflict and clashes. An established community of practice came into conflict with new approaches. Out of this conflict, a new norm was established.

New ideas in the NTEU were being generated by the demands of the external environment: the Coalition government's budget cuts and the introduction of aggressive industrial relations legislation. Those who had the closest ties to the external environment appear to have been the major sources of innovation in 1996: the NSW Division with close ties to Sydney University. Therefore the site of innovation for the NTEU moved from the centre to

the periphery of the NTEU, a community of practice concentrated around NSW Division. For example, the NSW Division's Survival Committee rang the warning bells for the NTEU about the potential impacts of the *Workplace Relations Act*. It was also the NSW Division that foresaw the urgent need for a radical overhaul of the NTEU's strategic approach to enterprise bargaining. NSW Division argued for the need to roll over award conditions into local enterprise agreements and for the abandonment of the highly centralized approach to bargaining of round one. What was needed was a strategy that combined the NTEU's core belief to preserve a national benchmark for wages and conditions with the flexibility to enable branches to lead local campaigns to win this benchmark at the local level: the leading sites strategy. Insulated from the impacts of the external environment and growing prone to "group think" the National Executive and Industrial Matters Committee had grown resistant to change. Meanwhile, those who were most receptive to innovation were those with limited attachment to the past and who were most receptive to the external environment: ordinary delegates at National Council. Through the process of democratic discussion and debate at National Council, the impacts of the external environment and the will of the membership were ultimately able to shape the strategic direction of the NTEU.

During round three, from just after National Council in late 1996 to National Council in late 1998, the NTEU had its first experience in implementing the leading sites strategy under the full enterprise bargaining model. Securing both wage rises and conditions at the branch level under the Liberal government's *Workplace Relations Act* was new terrain for the NTEU and the effort for this largely fell to the local leaderships at the designated leading sites. The local environment for these leaders was becoming increasingly difficult. Local leaders had to contend with demarcation tussles with other local unions and the full impact of deregulation was starting to take effect. With the decline in government funding local managements became increasingly aggressive and resistant to the NTEU's demands. Maintaining national unity against the decentralizing pressure of full enterprise bargaining was a major challenge for the NTEU. Implementing the leading sites strategy revealed serious gaps in leadership capacity at the branch level and unearthed latent philosophical conflicts within the NTEU. The lessons learned and the compromises reached out of these experiences formed the foundation for strategic decision making for round three of enterprise bargaining.

In the discussion devoted to implementing the leading sites strategy, the research framework enabled an exploration of the kinds of skills required to lead at the branch level and how these skills might be developed. There was very little by way of abstract bodies of knowledge or education that could assist local leaders during this time. Rather, they relied on the strategic application of “know how” (instincts, hunches, relationships, philosophies, information) being drawn from many sources. This required high levels of creativity and intellectual skills as local leaderships primarily faced problems that required the development of original responses from first principles. They not only had to develop solutions but had to convince local memberships through democratic dialogue to maintain their commitment and to inspire them into action. Understanding the high level of complex, embodied skills required to perform the role of local leader during enterprise bargaining has helped to build an understanding of the difficulties the NTEU faced in developing them and in disseminating them to other branches. Whilst attempting to codify the processes and steps taken along the way did no harm, of course the skills required could not be learned by prescription. They could only be learned through experience and in groups: communities of practice. During round two it started to become apparent that whilst there were isolated instances of these communities, the NTEU had difficulty developing the internal processes necessary to share and build these communities uniformly across the organization.

Implementing the leading sites strategy also unearthed latent philosophical conflicts within the NTEU. One factor that undermined the ability of the NTEU to share learning across branches was a fundamental divide between a “unionate” world view held by key players in the ACT, Queensland and NSW Divisions on one side and the more conservative, FAUSA tradition at the Melbourne University branch and evident in the Victorian Division at this time. The two camps were simply not speaking the same language. Furthermore, as shown in the discussion of the network at this time, branch leaderships who disagreed with the national strategy could essentially block the flow of information necessary to reach the membership. It became necessary to try to work around these semi-peripheral actors to attempt to educate the local membership. However, as with the discussion above, disseminating the high level of complex, embodied skills required to lead a branch through enterprise bargaining was not a straightforward process.

On the positive side, one explanation for the NTEU's capacity to innovate and adapt to change at this time appears to have been its ability to reorganize itself around sites of innovation. The old, out of touch Industrial Matters Committee dissolved and was replaced with the more responsive leading sites committee. The experiences of the local leaders from the leading sites were a major source of innovation and learning for the NTEU. The leading sites strategy by its nature involved capitalizing on the learned experience of local leaders in the strongest branches in the country. At the forefront of identifying potential perils for the rest of the organization, experienced activists fed their experience back into the union to prepare the others. Lessons learned along the way were also written into processes and procedures. Once again, an important body for ensuring the codification of new lessons and processes was the National Industrial Unit via the enterprise bargaining kit as well as with industrial memos and forms and checklists.

Despite the many pitfalls encountered in round two, no alternative approach to the leading sites strategy was entertained. The content of round three enterprise bargaining strategy therefore involved incremental adjustments to the leading sites approach. Three major lessons were learned out of the NTEU's first attempts at the leading sites strategy: firstly, the need for the whole of the organization to understand the importance of adhering to national policy to maintain unified wages and conditions across the sector, secondly, the need to maintain organisational unity against the decentralization of the sector and finally, the need to increase leadership and membership capacity in the branches. The major innovation adopted to respond to these lessons was the establishment of the enterprise bargaining forum and enterprise bargaining reference groups which were designed to draw more members into the process of developing the goals and claims for round three. As this thesis has found this approach did little to assist the NTEU's progress.

The difficulties encountered with the implementation of the leading sites strategy during round two were intensified in round three exposing the NTEU's weaknesses in the lead up to round four. Local managements, many emboldened by the combative industrial relations climate generated by the Liberal government, were aggressively opposed to the NTEU's demands. Round three was a gruelling round for the NTEU with many campuses engaged in

protracted and largely unsuccessful industrial campaigns including the disastrous strategy of exam results bans. Coming out of the round, the NTEU experienced a fundamental difficulty in making sense of its circumstances and to develop effective national strategy. Some of this difficulty can be explained by the deregulation of the sector which made it difficult to synthesize and develop a narrative that could cope with the disparate experiences of individual branches.

The commencement of round four negotiations in mid-1999 showed early signs of difficulties for the NTEU in pursuing the leading sites strategy. However, the round was interrupted by the Liberal government's direct intervention into negotiations with the introduction of the HEWRRs legislation. It is hard to imagine a more turbulent or hostile period. An analysis of this period revealed both the considerable weaknesses and the considerable strengths of the NTEU. Using the combined insights of trade union strategy and knowledge management literature enabled the development of a diagnosis of the origins and causes of both the NTEU's weaknesses and its strengths. Each will be discussed in turn.

As with the conclusion of round two, despite the many pitfalls encountered during the round, no serious alternative approaches to the leading sites strategy was entertained. This may reflect path dependence in the NTEU or it may have been that in the hostile and disaggregated environment generated by funding cuts under the Liberal government the NTEU simply had very few options. Nonetheless, opening the discussion for round four to include the broader membership without a clear strategic framework to guide this discussion exacerbated the NTEU's problem. This difficulty was compounded by high levels of turnover among peripheral members and the decline in the involvement of star boundary spanners and experienced leaders within the organisation. The NTEU therefore entered round four negotiations with a long list of ambitious demands with no clear strategy of how to win them at the branch level.

Ironically, the federal government's HEWRRs intervention rescued the NTEU by playing to the NTEU's strengths. By focusing the conflict at the national level, the NTEU was able to mobilize the considerable expertise at that level that had been accumulated over many

years. Key figures were able to use the relationships built over time to reach out to the broader community, including key figures in the AVCC, to launch an impressive campaign. The development of inspirational goals that went beyond the industrial components of the issue to unite the sector as a whole, a vital lesson learned back in 1996 to defend public funding, was also vital for the success of the campaign. Another “know how” stronghold was around the industrial processes developed by the NTEU over many years. The national discipline entrenched in the NTEU and the skilled network built around the leading sites strategy was vital for ensuring a nationally unified response to the HEWRRs legislation. This apparatus for delivering nationally sanctioned mandatory settlement points was the mechanism by which the NTEU achieved the landmark parental leave claim at all campuses. The accumulated talent of the National Industrial Unit and the National secretariat was also then successfully mobilized to defend the gains won in the 2003 campaign against the implementation of HEWRRS mark II.

Learning to navigate enterprise bargaining: the NTEU 1993 to 2005

Despite the many debates and conflicts that have characterized the NTEU’s decision making process, it has remained united around its founding philosophy: the conviction that the best way to defend academic and general staff wages and conditions was to maintain a national benchmark. Further, that the best way to deliver these outcomes was via one industry-wide union, the NTEU. At times, this philosophy crystallised and grew brittle and held it back from adopting appropriate measures to cope with the realities of the decentralized system. For example, in round one it took the form of a highly centralised and nationally co-ordinated approach which relied heavily on the role of the National Industrial Unit and industrial staff throughout the sector. However, attempting to maintain essentially an award based model within the enterprise bargaining framework, placed the NTEU under enormous strain. The challenge for the NTEU was to develop enough internal discipline to rigidly adhere to national discipline to maintain unified wages and conditions whilst at the same time enabling the flexibility to adequately respond to the particular vagaries of bargaining negotiations in the branches to deliver it locally. The strategy adopted was the leading sites strategy.

From a learning perspective the leading sites strategy demonstrates both the NTEU's strengths and its vulnerabilities. The leading sites strategy built around it a very effective apparatus in the form of Grahame McCulloch, Ted Murphy, Ken McAlpine and the National Industrial Unit which could communicate to the national organization via a conveyor belt of skilled industrial officers and elected officers. However, whilst key individuals had developed considerable skills and formed effective systems around them, the network analysis in chapter ten revealed that over-reliance on key individuals at the national level had developed serious vulnerabilities for the organization as whole. There was also evidence at various times of "group think" developing amongst leading members at the national level. In the early years, the leading sites strategy also capitalized on the leadership and membership capacity in the most successful branches. Both the successful outcomes regarding wages and conditions and the lessons learned were distributed to the broader organisation. However, the decline of leadership capacity at the branch level as the original leaders receded left the branches and therefore the strategy vulnerable by weakening the ability of branches to "hold the line" in the branches and by eroding the vibrant equilibrium between the local and national leaderships. At key times in the history of the NTEU, peripheral voices from the branches played a vital role in disrupting the "group think" at the national level and forcing the NTEU to adapt to change. At other times, the national office played a vital role by intervening at the branch level to ensure the adherence of national strategy. This process of push and push back has been an important source of innovation and learning for the NTEU. The network analysis revealed that the NTEU's solution of opening up debate to many more peripheral members exacerbated the difficulties for the NTEU. Over-reliance on large forums made it more difficult for the NTEU to develop the closed groups necessary for embedding experience and know how.

For the leading sites strategy to deliver its full potential the NTEU required leadership and membership capacity at the branch level and leadership capacity at the national level and most importantly a robust relationship between the two. Confident leadership and membership capacity at the branch level was required to cope with the increasingly idiosyncratic and hostile conditions in the branches. At the national level, the NTEU required the leadership capacity to make sense of the many disparate experiences across the sector and formulate effective national strategy. Lastly, a robust relationship between

the two was required to enhance capacity at both levels. Furthermore, a robust relationship between the local and national leaderships would have been self-reinforcing. Confident leaders from the branches in dialogue with receptive leaders at the national level would learn from each other in a dynamic equilibrium that would in turn build the capacity of the organisation as a whole. This model has been hard to achieve.

CONCLUSION

Implications for research into trade union renewal

All researchers in the field of trade union renewal can agree that if the union movement is to thrive in the current complex and hostile environment they must learn to innovate and to develop responsive and effective strategies. Yes, but *how*? And where in the union organization should this be expected to happen? Some researchers believe that radical innovation will come more or less spontaneously from the demands of the membership while others believe that it is more likely to be orchestrated by a highly skilled trade union leadership. This thesis has contributed to those researchers who have reached beyond these rigid assumptions about the varying qualities of members and leaders to develop a more dynamic approach to trade union strategy. Levesque and Murray's "power resources" (Levesque and Murray 2002: 46; Fairbrother, Williams et al. 2007: 35), Pocock's "union power" (Pocock 2000: 20) and Hyman's "interest representation" (Hyman 1997: 311) models all emphasise the interactive relationship among the various layers of the union and between the internal life of the union and the external environment. From this literature this thesis developed a list of core elements of effective trade union strategy: *responsiveness*, or the ability to accurately understand and adapt to external threats and opportunities; *autonomy*, or the ability to go beyond merely reacting to external pressures to develop an independent union voice; *inspiration*, or the capacity to not just develop an autonomous position but to inspire members and supporters into action; *democratic legitimacy*, or the ability to encourage membership participation in decision making to ensure commitment and finally the *competence, culture and organizational capacity* needed for implementation. Further, these factors are interrelated.

More specifically, the ability to develop effective union strategy can be understood to rely on three key factors: firstly, the *strategic capacity of union leaders*, secondly the *engagement and contribution of union memberships and supporters* and thirdly and perhaps most importantly, *structures and processes that maximize the effectiveness of the relationship between the two*. But how do unions develop the strategic capacity of their union leaders? How can they most effectively engage the contribution of the union membership? By adding the observations of activity theorists to the trade union strategy literature, this thesis has developed a framework to analyse how unions learn.

This thesis combined the observations of the trade union strategy literature and knowledge management literature to build a new kind of framework. In this conceptual context, the large quantities of archived minutes, reports, pamphlets and memos of the NTEU dating from 1993 through to 2005 became manageable and useful. Understanding that “know how” is a process and not an object has directed this research to treat archived information as an artefact that points to the process by which this “know how” was developed. Activity theory also suggests that generating and sharing “know how” is inherently practical; that learning and innovation is driven by the demands of the context in which participants are operating. Each decision analysed has been treated as the outcome of this process and the task has been to look at a particular decision or innovation and try to trace the origins of that emergent strategy or approach. Furthermore, an understanding that all learning is a collective experience has guided this approach. The focus has been on groups of people interacting to solve the problems generated by the context in which they are operating. Even when discussing particularly talented and important individuals, the analytical task has been to assess the context and groups in which these skills have been built to trace the process of their development. The literature also alerted this research to both the benefits and to the limitations of the group learning process. The positive development of a shared language necessary for open and successful communication has a darker side, the exclusion or rejection of new ideas or fresh approaches.

The development of a research framework that has enabled the study of organisational learning in the context of a trade union offers an important contribution to the study of trade union renewal. Combining activity theory and network theory with a more traditional

approach to analysing trade union strategy has enabled this thesis to delve deeper into some important observations in the trade union renewal literature. Firstly, the framework has enabled an analysis of how the capacity of trade union leaders might be built. Secondly, it has enabled an explanation of why some strategies for building trade union capacity have been effective and others have not. Thirdly, it has offered a way to analyse relationships and their contribution to the learning process. Finally, the framework and particularly the network analysis, has offered a way to investigate “know how” as a cumulative process by observing changes over time. Each issue will be discussed in turn below.

The research framework enlisted in this thesis has enabled an investigation of how leadership capacity might be built in a trade union. A recurring theme from Ganz, Hyman, Voss and Sherman among other researchers is the importance of the capacity of trade union leaders to make strategic use of opportunities in the external environment. However, there was limited discussion on how these skills might be built. For example, for Voss and Sherman, new ways to interpret situations from the international union movement (Voss and Sherman 2003: 69) or from leaders with activist experience from outside the labor movement (Voss and Sherman 2000: 303) were essential ingredients to union revitalisation implying that unions in decline must import expertise from outside its ranks. But the question remained: how did those leaders develop their skills? Further, is it possible that union organizations could discover ways to build these skills in-house?

Enlisting activity theory has enabled an analysis of how the capacity of trade union leaders is built. This thesis has shown that there is nothing “natural” about trade union leadership: it is learned through experience and in groups. This research has therefore not taken any set of skills as given but has gone deeper to investigate how these skills were developed. In the qualitative analysis of rounds one to four of enterprise bargaining, this thesis has built an understanding of what kinds of knowledge or “know how” were required by leaders at various levels of the union and how over time this “know how” was accumulated. It has also shown that whilst individual skills built over time are important the effectiveness of their strategies was reliant on their responsiveness to the external environment. For example, the NTEU’s highly centralized, award based approach which was effective in round one of enterprise bargaining under a Labor government was inappropriate and potentially

disastrous under full decentralization of rounds two onwards under the Coalition government. Therefore, effectively responding to changes in the environment at times required experienced leaders to “unlearn” past experience and develop radical new approaches. To achieve this often brought highly skilled individuals into conflict with one another in a battle for influence over national strategy.

Focusing on leadership capacity in the National Industrial Unit this thesis demonstrated how the challenges of the external environment generated the group problem solving that built the skills in this unit. Each new challenge required the creative application of already established “know how” and the folding in of new approaches. This unit was also challenged by peripheral actors in the union and forced to innovate and fold radical new approaches into their repertoire. Similarly, this thesis has analysed how leaders such as Grahame McCulloch have learned their skills through practice and also through group discussion at the national level. Like the National Industrial Unit, at times this has involved conflict and challenges, sanctions and counter-sanctions, to enforce the process of “unlearning” and “relearning” necessary to adapt to changes in the internal and external environment.

Enlisting activity theory has also enabled an explanation of why some strategies for sharing trade union “know how” were more successful than others. For example why was the National Industrial Unit more successful in disseminating its “know how” throughout the organisation than the elected officers in the branches? There are four likely explanations for this. Firstly, a large element of the industrial unit’s information was easily codified, for example, model clauses or rulings from courts or industrial tribunals. By comparison, overwhelmingly the skills of locally elected branch leaderships were embodied hunches, instincts, relationships and sensitivities which by their nature cannot be codified and were not easily transmitted or “taught” to others. Secondly, the shared language developed over time among like minded industrial officers allowed all forms of “know how” to travel more readily along this conveyor than among elected officers who were from a much wider field of professional and personal identities. This difficulty was compounded for branch leaderships by the fact that increasingly like were not speaking to like with the impact of deregulation and the increasingly idiosyncratic nature of conditions in each branch. Thirdly,

a contributing factor was likely the difference between developing an on-going relationship among full-time employees of the union as compared to the difficulty of building a similar community among branch leaders who were mostly volunteers. As the network analysis has demonstrated a major difficulty for the NTEU has been to develop the closed groups of elected branch leaderships at the national level that is necessary for the successful sharing and embedding of this embodied “know how”. A final reason may have been the relative insulation of the national office from the very turbulent and hostile environments at the branch level which were as likely to destroy relationships among branch based volunteers as build them.

Another important contribution of the research framework enlisted in this thesis has been the development of an approach to studying relationships in the context of trade union renewal. Throughout the qualitative component of this thesis, a framework that focused on relationships as its central unit of analysis has enabled the identification of learning communities and other relationship ties that have been involved in strategic decision making. To be more precise, it was not just the existence of a relationship but the *quality* of the relationship that was analysed. The network analysis of the NTEU demonstrated that an examination of the quality of interactions among the various layers of the union was central to understanding the NTEU’s capacity to learn. As the network analysis showed, when it came to developing effective national strategy, the transient and often one-way communication with the membership through the larger forums and surveys was no substitute for the mediated interaction with skilled local leaders who spanned the boundaries between the membership and the national leadership. Another advantage of the network analysis was its ability to demonstrate visually the changes in the network of relationships within the NTEU over time. For example, investigating changes to the network over time, revealed a key difficulty for the NTEU, the loss of ‘closed groups’ in the organization. In line with the observation of network theorists, despite the potential pitfalls of “group think” that often accompanies closed groups, without them the organization could not capitalize on the “know how” travelling through its network.

Finally, the research framework enlisted in this thesis has enabled an examination of how knowledge or “know how” in a trade union is cumulative; how lessons learned from the past

informed strategic decision making as the NTEU confronted new challenges. This thesis was able to show how lessons learned were stored within groups either consciously or unconsciously, codified or embodied, to over time develop a pool of “know how”, a shared approach or world view, with which to approach the next problem that came along. Once again, this cumulative group learning process has a potentially darker side in the form of path dependence and resistance to change. However, as we saw with the fortunes of the Liberal government’s HEWRRs legislation, by the time of round four of enterprise bargaining the NTEU had built up an impressive repertoire of strategies and tactics. Under sustained attack during the periods 2003 to 2005, the NTEU drew on every lesson it had learned in its efforts to defend itself and the entitlements of its membership.

In conclusion, this thesis has developed a novel approach to the study of trade union renewal. Combining activity theory and network analysis with more traditional approaches to the study of trade unions has enabled a thorough and multi-faceted analysis of the learning process in the NTEU. Understanding learning as inherently a collective experienced driven by the demands of the context in which unions are operating has inspired the development of a dynamic research framework for analysing the development of trade union capacity. It is hoped that this framework can contribute to the study of the successes and challenges of the broader trade union movement as it attempts to adapt to survive in the hostile and turbulent conditions they currently face.

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