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Editorial: Union strategies and worker engagement with new forms of work and employment

Paul Stewart and Andy Danford

For the UK government, management and some trade union organisations, the idea behind the concept of the high-performance workplace (HPW) is that it can deliver comparative advantage because it enables firms to deliver increased performance on the basis of socially consensual management practices. There are two aspects to the broad picture of what is meant by socially consensual management practices. The concept of the HPW is not inherently about trade union participation in the organisation since it is concerned primarily with the relationship between company performance and a combination of determinate HRM variables (or 'bundles' of practices as some writers describe them). In this regard, it means typically that a consensus can be developed through a combination of internal organisational practices including team-working and other forms of task participation, skill development, employee appraisal and employee 'voice' mechanisms. However, it can also include the linking of these to an independent trade union commitment—where unions exist within the company—to other organisational goals, usually, though not always, mediated by partnership arrangements, whether formal or informal. The advantages are said to arise from the fact that the inter-relationship between the combined practices of the HPW (and noticeably in context of union agreement), leads inevitably to more intrinsically rewarding jobs, higher employee commitment and the mobilisation of greater discretionary effort from employees. Moreover, it is argued that since employee commitment can so easily be undermined by low-trust relations between workers and managers and antagonistic industrial relations, then an independent union working in partnership with management can 'protect' employees from the possibility of a top-down ('hard HRM') management agenda.

One important question is the extent to which the HPW can be seen as heralding a new productive model in which the employment relationship is characterised by a break with so-called lean forms of work organisation. This is vital because when lean production was initially greeted with an abundance of enthusiasm in the late 1980s in the UK, the assumption was that it would oversee the development of innovative

industrial and employee relations practices. While there is a plethora of literature on the politics of lean, (see *inter alia*, Danford *et al.*, 2005; Stewart *et al.*, 2008) insufficient attention has been given to the role played by the British government in what was an interesting piece of *dirigisme*, and all the more so since it was initiated by the previous Conservative government. It was Michael Heseltine, then the Secretary of Trade for Industry, who first sought to bring together a number of leading industrialists—mostly, though not only—from the automotive sector with the explicit purpose of learning how to introduce what were considered by the Department of Trade and Industry (DTI) to be the winning ways of the Japanese auto industry. After automotives, aerospace and the oil industry were to be in line for the amazing innovation of lean production (SMMT Industry Forum—A Unique Partnership, 2002).

When the Labour Party was elected to office in 1997, we were to be rudely mistaken if we imagined matters would rest there. The drive to push lean through the sectors was given an added fillip when lean was wrapped in the warm mantle of a 'soft HRM'. The 'lean' element, considered somewhat abrasive by a number of commentators, would be downplayed by this soothing balm that became known as high-performance working. Along with the Labour Government, the TUC and various employer associations, the Chartered Institute of Personnel and Development (CIPD) has played an interesting role in proselytising the HPW. Their interpretation of the social and political character of HPW is revealing of the depoliticising of the HPW corporatist initiatives of raising labour productivity on the basis of individualising nostrums of commitment. Thus, when discussing the question of the organisation of work for markets, if we can put it that way, the CIPD envisages a series of processes that in their essentials both conform to, while extending, the criteria characterising lean working. These include *inter alia*, customisation, quality meetings, teamworking and performance appraisal. While recognition is given to the role of trade unions, nevertheless, the quandary of their participation in the internal life of the company is reduced where it is assumed that the 'secret' of employee involvement is explicable in individualistic terms, but we require good top-down management to start with.

A prerequisite [to HPW] is a vision based on increasing customer value by differentiating an organisation's products or services and moving towards the customisation of its offering to the needs of individual customers. Given this, leadership from the top and, over time, throughout the organisation is necessary to create momentum, to realise the vision and to measure progress. The main characteristics: decentralised, devolved decision-making, made by those closest to the customer—so as constantly to renew and improve the offer to customers. Development of people capacities through learning at all levels, with particular emphasis on self-management, team capabilities and project-based activities—to enable and support performance improvement and organisational potential (CIPD Fact Sheet, June, 2008).

As a result of these exciting possibilities of organisational synergies bringing together corporate identity, leadership and 'people'—imagining your customer's needs in developing your project work—unions are easily dealt with.

However, although employee involvement systems have been shown to be of importance and working through and with trade unions can provide underpinning support, legitimacy and partnership for the changes involved, the key issue has more to do with the psychological contract and relationships than with structures and systems (*ibid*).

This is all very interesting, especially when it is noticed that this is from a 'Fact Sheet', not an ideas sheet or a straightforwardly avowed opinion-wishful thinking sheet but a prescriptive 'how to do HPW' working agenda. We might even argue, compellingly, that not only is it a 'how to do it' tool kit, but a description of what high-performance working actually comprises. This allows for a good yardstick for researchers since, amongst other themes, it imagines a work environment in which the 'high performance' organisational features described deliver organisational consensus (harmony) and win-win success. There is, in fact, from this perspective, a tendency towards the idea of one best way and one best form of HPW.

In the following papers, authors critically engage with this 'one best way' agenda. Adopting a variety of research methodologies, they assess the various ways in which

workers and trade union strategies contest the various management agenda, high-performance working being the most salient amongst them. It is especially important to remember that the social relations of the workplace, together with the wider political economy, both constrain and shape the nature of actually existing high performance strategies.

Andy Danford *et al.* provide a systematic investigation of the relationship between employers' use of high-performance management techniques and supportive co-operative union relationships in the form of workplace partnership. The significance of their results resides in the unusual nature of their multiple case study data set. As the authors observe, most relevant national surveys are not of authentic high-performance organisations in that few of the employers surveyed can be shown to operate the requisite clusters of core HPW strategy (HPWS) practices. By contrast, the authors' data set is significant in that all six private and public sector establishments used in their survey correspond closely with the high-performance work model, at least in terms of types of management technique adopted.

Close scrutiny of the authors' findings identifies a number of salient patterns. First, the HPWS-partnership nexus seemed to have only a limited impact on employees' sense of attachment to their work or employer. For example, working in self-directed teams had no significant impact on employee commitment to employer whilst it was associated with higher workplace stress. Overall, there seemed to be nothing distinctive about the effect of core 'clusters' of such practices as teamworking and problem-solving (and skills training) in specific high performance-partnership work environments. What was distinctive, however, was the relationship between HPWS, partnership and employees' health and welfare. Danford *et al.* find that the high-performance work model has not resolved the problems of work intensity and stress that are associated with lean production. Instead, from the viewpoint of employees in a variety of occupations, the reality of the HPW seems based mostly on a process of driving workers ever harder through a combination of compulsory *and* discretionary means.

The role of partnership in the functioning of the HPW raises a number of concerns. Danford *et al.*'s survey established a number of patterns related to quality of working life. For example, rather than reducing levels of workplace stress, working in a partnership environment was associated with higher stress levels. Moreover, whilst the principle of mutuality associated with partnership and the HPW model would expect partnership to have a positive effect on worker assessment of union performance, the authors find that partnership had a negative effect. Indeed, most union members in their survey believed that conventional oppositional stances were more effective for placing constraints on managerial prerogatives and securing a degree of protection from the work intensifying pressures of the HPW.

Jean Jenkins' paper compliments Danford *et al.*'s survey work in that it provides rich case study analysis of the dynamics of partnership in HPW settings. Jenkins provides a detailed exploration of managerial attempts to forge partnership relations with workplace unions at a Brownfield aluminium plant in the context of the employer's drive to reshape work organisation along HPW lines. In focusing on process and workforce contestation, Jenkins identifies how the shift towards more co-operative industrial relations systems is related to organisational objectives rather than management commitment to industrial democracy, or indeed, recognition of independent worker interests.

Jenkins' account of the failure of partnership is pertinent to broader concerns governing the inevitability of low trust relations (rather than mutuality) within capitalist workplace dynamics. It also highlights the inevitable tensions between partnership rhetoric and the reality of labour rationalisation and job insecurity in the UK's manufacturing sector. In this respect, central to her argument is that notwithstanding local conditions such as factory survival campaigns and local union attempts to secure employment, the sustainability of workplace partnership is inevitably linked to the broader political economy and neo-liberal economic forces over which local agents have little control.

Ian Greer assesses the consequences of the information economy on industrial relations by considering the changing trajectory of the automotive industry in Germany. His case work includes developments at VW Sachsen, Ford/Visteon, and Daimler-Chrysler. This is vitally important for the reason that this industrial sector has traditionally been the basis for our understanding of the notion of so-called national models, especially the 'German model'. Greer begins by comparing 'institutional accounts' that assess the strength of Germany's 'dual system' of industry-level coordinated wage bargaining and company-based co-determination with the Lash and Urry (1987) assumption of a cross-national convergence towards the disorganisation of industrial relations institutions and practices. Greer argues that the employers' strategies of vertical disintegration tend to support Lash and Urry's argument. Vertical disintegration can be witnessed in the character of tighter competition, which, in turn, depends upon new management agenda, including new technology. These changes are seen to be responsible for the slow but steady erosion of the German model.

It is the manner in which this has been achieved which is particularly compelling. Because of the particular manner in which co-determination functions, the major firms are able to drop a range of obligations where they can outsource and the consequent use of subsidiary, intermediate organisations (with the contingent labour they employ) means that workers can be taken out of the metal-working agreement at the cost of inferior conditions. Inevitably, of course, the work may be carried out in firms not covered by any sector agreements. What is more, when we consider the actual work process, the new intermediate markets means that work that was formerly organised within the same company and which is now carried out across a number of subsidiaries, makes it very difficult for unions to respond. Inevitably, this is a vehicle by means of which managements can force concessions from works councils. This 'disorganisation' of the German industrial relations system has gone hand in hand with sector success, illustrating the extent to which employers may not be so concerned with what has usually been considered to be the country's reliance on, *inter alia*, the German co-determination agenda. The consequences of this development, though at an early stage, may well herald the beginning of the demise of those institutions that have sustained labour and trade union bargaining.

Andrew Smith examines resistance to public-private partnership (PPP) of National Savings (UK). This is the most significant outsourcing of the Civil Service in the UK, and he explores two forms of resistance to it. The first level of resistance involves collective trade union actions while the second involves 'individual recalcitrance on the shop floor'. Smith argues that the imposition of government and management cultural change is responsible for the rise of what he describes as 'acrimonious employment relations'.

One of the compelling aspects to this driven, top-down, agenda has been the underlying ideology of new public management. PPP, as part of this agenda, is crucial because it constitutes the basis for the privatisation of fundamental public assets. What is more, this is allied to increasing governmental interest in the lean agenda for organisational transformation, which, in turn, bolsters the introduction of what Smith interprets as a HPW agenda. For Smith, HPW techniques include lean production methods together with employee share and bonus schemes. Proponents of HPW (*inter alia*, Applebaum and Batt, 1994; Katzenbach, 1997) argue that these techniques improve workplace harmony and employee commitment. However, Smith argues that HPW actually generates both collective and individual forms of resistance in the form of trade union action and individual recalcitrance. Moreover, to the extent that employees accept the financial benefits of the HPW dispensation, they do so in a pragmatic and non-believing fashion.

Jo McBride's paper is especially interesting because it continues the discussion of the HPW in the context of a traditional manufacturing sector, ship-building. The paper is important for two reasons. In the first place, it raises the issue of management strategy, the character of internal labour relations and product market. Secondly, it is important in that it assesses the oppositions and tensions confronting the introduction of HPW management techniques. McBride illustrates the complexities involved in attempting

to harmonise these HPW techniques with existing organisational cultures. She makes the point that there has been, with notable exceptions, a marked absence in consideration of the complexities of sector, history and culture, including trade union autonomous practices.

McBride further raises a critical question regarding the challenges posed to the whole philosophy of the HPW, especially in the very important context that we might interpret as 'political'. Performance measurement has to be seen in the light of extant industrial relations and the nature of work, all of which require careful consideration. McBride's view is that we may very well need to be somewhat circumspect in assuming the wider efficacy of the HPW.

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