

COOPERATIVE LABOR-MANAGEMENT RESTRUCTURING TOOLS IN TOMPKINS COUNTY

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Tompkins County is located in the Finger Lakes region of New York State at the base of Cayuga Lake. It has a population of approximately 95,000, and operates under a county administrator who is appointed by the fifteen-member elected Board of Representatives.

In Tompkins County, the primary focus of cooperative labor-management relations is a total quality management initiative called Partners for Quality. All labor-management committees are implemented under the structural umbrella of the Partners for Quality initiative. Mutual-gains bargaining is another tool used in Tompkins County. However, the scope of mutual-gains bargaining is not as broad as the Partners for Quality program nor as central to day-to-day decision making and service delivery.

The following people were interviewed for this study:

- David Chase, President, CSEA Local 855
- Scott Heyman, County Administrator
- Barbara Mink, Chair, Board of Representatives

LABOR-MANAGEMENT COMMITTEES

THE ORIGINS OF LABOR-MANAGEMENT COMMITTEES IN TOMPKINS COUNTY

Labor-management committees have long been implemented in an ad hoc manner in Tompkins County. There was a clause in the standard labor contract which allowed for creating labor-management committees to resolve workplace conflicts or address specific projects, and labor-management committees were occasionally used in that context. There was also an Employee Council (comprised primarily of employees) which served as a venue for communication.

These committees set the stage for implementing a formal total quality management program in the county in several ways. First, they demonstrated to employees, managers, and elected officials that cooperative structures could be effective. Second, the ad hoc committees on which any employee, union or non-union, could serve and which were beginning to address contract matters such as terms and conditions of employment, represented a threat to the authority of the CSEA Local 855, which bargains for all county employees. Thus, when county managers wanted to formalize labor-management committees and subsume them under a total quality management initiative, it was in the union's interest to work to negotiate an exclusive agreement between the county Board of Representatives and the union. At that time, the other existing cooperative structures such as the Employee Council were disbanded.

HOW LABOR-MANAGEMENT COMMITTEES FUNCTION NOW

Under the total quality management program, there is a nested system of labor-management committees, with a hierarchy stepping down from the Leadership Council to departmental committees to cross-functional project teams.

The umbrella committee is the Leadership Council, which directs the implementation of the program and provides structural organizational support for departmental labor-management committees operating under the program. The large departments in the county, such as the Department of Social Services, the Health Department, and the Probation Department, each have a departmental labor-management committee that addresses general workplace matters and formulates policy recommendations designed to improve the efficiency of the department. Cross-functional project teams are created to work on a particular project such as coordinating intake systems for welfare and other social service recipients.

PARTNERS FOR QUALITY

In 1993 county administrators and elected officials decided to formalize the cooperative structures in the county and implement a more comprehensive mechanism for cooperative decision-making: the Partners for Quality program (also known as total quality management or TQM).

Tompkins County Administrator, Scott Heyman, had been interested in the concept of TQM for a number of years, but information about implementing total quality management in the public sector was difficult to find. After some research of successful examples of total quality management in the public sector in Minneapolis, Minnesota, and Madison, Wisconsin, the Board agreed to hire Marcia Calicchia from the School of Industrial and Labor Relations Extension of Cornell University and the Program for Employment and Workplace Systems (PEWS) to assist in planning the implementation and conduct employee training. These consultants were chosen due to their jargon-free and labor-oriented approach to TQM. This perspective on total quality management was, and still is, very important to the goals of the county.

SHIFTING FROM AUTOCRATIC TO COOPERATIVE WORK SYSTEMS

Barbara Mink, Chair of the Board of Representatives, described total quality management as “an absolute visceral change in the way [we] react to problems and the way [we] take initiative for change.” As a result of the Partners for Quality initiative, many managers have shifted from an autocratic way of directing operations to one that is more cooperative. This change in management style is beginning to impact all departments. Almost everything that is done in Tompkins County now is done through a labor-management framework. Total quality management has impacted Tompkins County employees and managers in a profound way; a higher degree of communication and cooperation is now part of the culture in Tompkins County.

STRUCTURE OF THE PARTNERS FOR QUALITY PROGRAM

There are three primary components to Partners for Quality:

- 1) The Civil Service Employees Association (CSEA) Local 855 and the Tompkins County Board of Representatives spent a year negotiating an agreement establishing the labor-management partnership. The agreement outlines the guiding principles and overall expectations for the initiative. The agreement is still in force.
- 2) The Leadership Council—a labor-management committee that guides the implementation of the Partners for Quality program and provides structural, organizational support for departmental labor-management committees operating under the program.
- 3) Every employee, manager, and legislator in Tompkins County is trained in total quality management techniques and work processes. The goal is to provide training that crosses formal organizational boundaries. Marcia Calicchia and her colleagues have trained twenty in-house facilitators in TQM techniques and several people within the county now have leadership roles with the program.

Tompkins County has invested heavily in training for this program. Between 1994 and 1997, the county spent just over \$300,000 for outside consultants to conduct training. In 1998 the county will spend an estimated \$170,000 for consultants to complete the bulk of the training (for all departments except the sheriff's department, which is an independent agency). Since 1997, in-house costs have been around \$100,000. These costs will drop dramatically after 1998, when all employees, managers, and elected officials will have been trained in total quality management techniques and only training for new employees and refresher courses will be necessary.

SUCCESES

Certain projects are ideally suited for joint decision making. It can be a time-consuming process, but the tangible results are often worthwhile.

Example - Human Services Building

In December of 1997, Tompkins County completed construction on a new building to house the Department of Social Services. The building was planned using TQM methods with a great deal of employee involvement in decision making. The old building had inadequate ventilation and a lawsuit had been filed by employees which prompted the search for a new facility.

When decisions such as these were made in the past, a committee of five legislators was chosen to oversee the project without representation from labor. When the board announced the formation of this committee, union representatives requested labor's involvement in the design and construction of the facility. The size of the preliminary planning committee grew to twenty-one members and, although it was large, the contribution of labor to the overall project resulted in an extremely functional building.

The process took four years from conceptualization to completion. Most importantly, a lot of the controversy that usually accompanies this kind of dramatic change was eliminated. When the

committee was first established, labor expressed some fear and anxiety toward the project. These concerns were largely dealt with in the context of the various labor-management committees that were formed.

There were at least three committees established to construct the building: a stakeholders committee comprised of building occupants (both labor and management) to make the preliminary determination of the requirements for the new building, a building design committee to determine room sizes, color scheme, carpet types, etc., and a building construction committee which organized and supervised construction. Barbara Mink reported: “[I]t was extremely labor intensive, but not agonizingly so, and it resulted in the best building project we have ever had.”

LIMITATIONS

Labor-management committees and total quality management methods can only function well when committee authority is clearly defined and consistent.

Example - Downtown Ithaca Parking

A county labor-management committee was formed to address the lack of employee parking in downtown Ithaca, and was charged with the task of making recommendations to the Board of Representatives. The parking committee did not have jurisdiction over expenditures, so the members could not recommend putting up a gate that costs \$20,000, for example, without going through the board. However, the committee was given the authority to determine the policies for county parking lots. The committee has recommended that several parking spaces currently reserved for board members be reassigned to other county employees. The Board is poised to reject the committee’s recommendations.

The labor-management committee in this case does not have the authority to determine a policy that the Board of Representatives does not like. Situations like this which give authority only to take it away can undermine cooperative efforts and slowly developing trust. To prevent failures, the role and authority of committees should be clearly defined from the outset, and elected officials must be as committed to the process as others involved.

MUTUAL-GAINS BARGAINING

In Tompkins County mutual-gains bargaining techniques have been instinctively used for many years. In 1995 county administrators decided to formalize a mutual gains approach by training employees in the technique. Bernie Flaherty of the School of Industrial Labor Relations Extension of Cornell University trained approximately 300 of 720 county employees in mutual-gains. Now all bargaining units other than the sheriff’s department utilize mutual-gains techniques for all terms and conditions except salary.

Mutual-gains bargaining is not a panacea for Tompkins County. The impact of using this tool depends on the commitment of the participant, as the President of the CSEA Local 855, David Chase pointed out:

Mutual-gains bargaining can be whatever you want it to be. Some people don't see [win-win] as win-win. Some people see it as compromise-compromise...There's a contract between labor and management which automatically creates sides. But, that doesn't mean that the two shouldn't look at each other and say: we should do what's best for the both of us (and) for the entity that we serve which is Tompkins County...We realize the reality of the situation; there is X amount of money to be allocated and we need to figure out the best way to move it around.

Mutual-gains bargaining serves to improve the process of negotiations. Through the use of this tool, consensus and agreement is reached more quickly and with less aggravation in Tompkins County.

ADVANTAGES OF MUTUAL-GAINS BARGAINING

All three interviewees recognized the benefits of mutual-gains techniques in negotiations. The fact that interest-based approaches to problem solving have extended beyond the collective bargaining process to committees and other arenas is an indication of their usefulness. County Board Chair Barbara Mink indicated that the sheriff's department used the language of mutual gains in the latest discussion of health care benefits.

In collective bargaining, salary remains the only issue that is not negotiated with mutual gains techniques. The county has offered to negotiate salary using mutual gains but the union has resisted. However, the issue of salary was "on the table" faster than ever before in the latest round of contract negotiations, according to David Chase.

BENEFITS OF LABOR-MANAGEMENT COOPERATION IN TOMPKINS COUNTY

There are three broad expectations associated with labor-management cooperation in Tompkins County: to improve labor-management relations, to decrease costs for delivering services, and to keep taxes down. The decision to establish formal structures to share decision making with labor was not due to particular fiscal or service pressures. TQM is a formalization of the labor-management relationship that has been developing since the 1980s.

IMPROVED RELATIONS BETWEEN LABOR AND MANAGEMENT

The focus of the Tompkins County Partners for Quality (PfQ) initiative is on improved labor-management relations. This reflects the perception that cooperation will directly, and indirectly, result in cost savings and improved service quality. Barbara Mink describes its effects as:

a shift in our paradigm; an absolute visceral change in the way we react to problems and the way we take initiative for change...Tompkins County is a good example of how TQM can work...The best evidence for this, in addition to the cost savings and improvements in efficiency, is the change in people's attitudes.

These goals have been articulated through various mission and vision statements. In addition, TQM orientation sessions, which have occurred since December 1994, are another forum for developing a shared understanding of these goals.

GRIEVANCES

One indication of improved relations between labor and management is in the type and number of grievances that have been filed since the implementation of TQM. The grievances that are filed today represent issues that are not resolvable through labor-management committees. In Tompkins County, grievances have been minimized through these new avenues for communication.

IMPROVED SERVICE QUALITY

In Tompkins County, the focus of labor-management cooperation is on process issues. For instance, the Department of Social Services labor-management committee developed a framework for eliminating excessive layers of administration. Now, there is a single intake system for food stamps and Medicaid. This change both improves service quality and reduces the cost of providing services.

COST SAVINGS FROM IMPROVED LABOR-MANAGEMENT RELATIONS

Management believes the benefits of TQM more than outweigh the costs and has been willing to invest heavily in the process. However, figures documenting these cost savings are hard to come by due to a fear that cost savings will result in budget cuts, punishing successful departments. Coupling total quality management with performance-based budgeting techniques could help to encourage documentation of cost savings. Another strategy would be to simply make it clear at the outset to departmental staff that if funds for training and to sustain the overall initiative were going to continue to flow, documentation of cost savings must be forthcoming.

KEY LESSONS AND INSIGHTS

TRUST, LEADERSHIP, AND DEFINING ROLES

The most important factor in developing cooperation between labor and management is people. One of the main reasons for the success of TQM in Tompkins County is that both management and labor were committed to the idea. The degree of trust that existed prior to the implementation of TQM enabled Tompkins County to proceed with the initiative.

Both Barbara Mink (Chair, Board of Representatives) and David Chase (CSEA Local 855 President) acknowledged the role Scott Heyman (County Administrator) played in developing support for the Partners for Quality program in Tompkins County. One concern David Chase has is the impact Scott Heyman's retirement will have on the initiative. Subsequently, one priority of the interview process is to determine whether or not the values of candidates for county administrator are consistent with the TQM program.

The expectations and roles for labor-management committees must be defined as clearly as possible to limit misunderstandings. Clear roles enable committees to remain focused. Union

representatives have played an important role in keeping this focus and pointing out when the committee is getting off track.

COMMUNICATION AND PLANNING

Communication is paramount to success. Through communication goals are defined, expectations are delineated, and relationships are built. Limiting the use of jargon also facilitates the process, especially during training sessions.

Careful planning will result in a smooth transition during implementation. It is important to make sure the strategy for implementation is clearly defined before presenting it to employees. Tompkins phased in its program and this led to a lot of confusion among union members and employees because of the time lag between the start of training in the Department of Social Services and the full implementation of TQM. Two years have elapsed since the initiative was announced and some people have just begun their training.

INFORMATION

The major obstacle was not the will to begin using TQM, but the means by which to implement the program. Tompkins devoted a lot of time and effort to finding the right people to conduct the TQM training. County Administrator Scott Heyman asserts, "You have to make sure that you get the right people to do the training; that the consultant's conception of TQM is what you want; that it is consistent with what you have been doing." In addition to finding the right facilitators, reviewing the experience of local governments through hands-on practice is important.

CONCLUSION

This case study has shown that labor-management cooperation is not only possible, but viable in Tompkins County. With the right people to coordinate the effort and the support of labor, management, and elected officials, the TQM initiative in Tompkins County has been, to a large degree, successful. The insights drawn from this case may provide other county governments with information necessary to pursue labor-management cooperation as a tool for service delivery.