

COOPERATIVE LABOR-MANAGEMENT STRUCTURES IN GENESEE COUNTY

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Genesee County is located in western New York State, between Rochester and Buffalo. It has a population of approximately 60,000. The county functions under a county manager who is appointed by a nine-member legislature. The main tools of labor-management cooperation being used in Genesee County are labor-management committees and mutual-gains bargaining. Through face-to-face and telephone interviews, we examined how these cooperative structures developed in Genesee and their role in helping county government function better. The following people were interviewed for this study:

- Jay Gsell, County Manager
- Martha Standish, County Personnel Officer
- Nancy Smith, CSEA General Unit President
- Jack Pease, Administrator, County Nursing Home
- Darlene Acker, CSEA Nursing Home Unit President

LABOR-MANAGEMENT COMMITTEES

THE ORIGINS OF LABOR-MANAGEMENT COMMITTEES IN GENESEE COUNTY

There are two main labor-management committees in Genesee County. The general unit labor-management committee includes most county departments, with about 320 CSEA members represented. The Genesee County Nursing Home, with about 150 CSEA member employees, has a separate labor-management committee.

The general unit committee was started in 1991, and the nursing home committee was started during the late 1980s. The nursing home has its own committee because of the special nature of the services it provides. It also operates as an “enterprise fund,” which means that its finances are separate from the rest of the county’s departments. As an enterprise fund, the nursing home is able to keep the money it earns, but when it is losing money, it cannot draw on other county revenue. Currently, the home is earning money, which has enabled the county to invest in improvements in the facility.

The two committees operate within somewhat different contexts. In the late 1980s and early 1990s, the nursing home was losing money due to a change in the state’s reimbursement policy for Medicare and Medicaid patients. It faced the prospect of being sold by the county legislature if it did not become self-sustaining on its own revenues. It was realized that the home had to change its mode of operating in order to survive, and that the cooperation and involvement of both management and labor would be necessary. The labor-management committee provided a good vehicle for the two groups to work together to try to improve the operations of the home.

With the general unit committee, management saw great potential in improving workplace practices through the more cooperative structure provided by a labor-management committee. The county personnel officer approached the CSEA labor relations specialist, who agreed that establishing a committee was a good idea.

HOW LABOR-MANAGEMENT COMMITTEES WORK

The labor-management committees in the general unit and the nursing home work in a very similar fashion. They both meet once per month at a set time and day. In the nursing home, the union officers and stewards meet a week and a half prior to the monthly meeting to develop their list of items for the agenda. The union president and nursing home administrator then meet one week prior to the monthly meeting to discuss each other's proposed items for the agenda, and put it in its final form. Issues are not placed on the agenda unless agreed to by mutual consent. During this preliminary meeting, the nursing home administrator and union president are sometimes able to resolve certain issues, in cases that don't require the input of other committee members.

While the authority of the nursing home committee is actually written into the nursing home unit contract, the authority of the general unit committee is not incorporated into the general unit contract, but is mutually accepted by labor and management.

The purpose of both committees is to serve as a forum for discussion and a vehicle for active improvement on management issues, labor issues, program ideas, and operations. The resolution of any issue requires consensus among all committee members. The committees do not address contract disputes or grievances. These matters are dealt with using standard procedure.

The permanent members of the general unit committee are the personnel officer, the county manager, the CSEA general unit president, and the labor relations specialist from the CSEA regional office. Two department heads and two additional union members also sit on the committee; these positions rotate in about three-year intervals to give different people exposure to the process and to the issues being discussed. The nursing home committee is comprised of the nursing home administrator, the director and assistant director of nursing, the activities director, the officers of the union, including the president, vice-president, treasurer, secretary, and the head nurse.

Members of the county legislature do not sit on the committees or participate in the meetings. By not participating in the committees, the legislators can remain more neutral and objective with respect to the management and labor positions. The legislators are kept aware of the activities of the labor-management committees through meeting minutes.

Through the committees, many more union members are involved in labor-management initiatives than ever before. According to the president of the general unit, currently about 25 percent of the 320 employees in the general unit participate in some way through subcommittees and various programs. Within the nursing home unit, union members also serve on various subcommittees organized around different program

initiatives. Additionally, according to the nursing home unit president, employees are always encouraged to bring their ideas and concerns to the committee representatives.

CREATING SOLUTIONS TO WORKPLACE PROBLEMS

One of the greatest concerns of the nursing home is to ensure sufficient staffing 24 hours a day, seven days per week. Its committee has developed such initiatives as an incentive program for attendance and a voluntary work program. Because it is crucial to the operation of the nursing home that there be sufficient staffing at all times, management has the right to mandate employees to work overtime or to come in on their days off when there exists a shortage of staff. The voluntary work program allows the employees to “volunteer” (with pay) to work extra hours at their own convenience. After working a certain number of “voluntary” hours, employees are then eligible to be taken off of the mandate list during the upcoming quarter. The nursing home committee has also served as a forum to discuss worker safety issues during building renovations.

One of the most significant programs developed by the general unit committee is the sick-leave bank. Through the sick-leave bank, employees may choose to donate some of their allotted sick days to the bank, which can be used in the future by any employee who needs to take an extended medical leave. This program serves as a close substitute for long-term disability, which is not provided to employees of the general unit. Other programs initiated by the general unit committee include a volunteer tuition reimbursement program, which grants employees who perform community service tuition credits for their family members at the local community college; a job-share program; and participation in Make-a-Difference Day, a national community service day. The labor-management committee also started a newsletter for county employees, which is partially funded by CSEA.

Through labor-management committees, the management of the nursing home and other county departments represented by the general bargaining unit have worked cooperatively with labor to develop innovative ways to improve productivity, efficiency, and flexibility in the workplace. Such initiatives have a positive effect on the county’s ability to deliver services to the community.

MUTUAL-GAINS BARGAINING

THE ORIGINS OF MUTUAL-GAINS BARGAINING IN GENESEE COUNTY

Mutual-gains bargaining was first tried in the general unit in 1996. The assistant county manager was trained by Cornell University’s School of Industrial and Labor Relations Extension, and he facilitated the negotiating process. Jay Gsell, County Manager, and Nancy Smith, President of the Local CSEA General Unit, had just taken their positions at the county a few years prior, and were very interested in trying a new approach to contract negotiations.

The first tentative agreement negotiated under mutual-gains bargaining was not accepted by the union membership. Many members were very skeptical, and it took time for them to trust and accept the process, which was completely different from the way

previous negotiations were conducted. However, employees eventually came to accept the process, and in 1997 the general unit contract was successfully negotiated using mutual-gains bargaining.

The nursing home does not use mutual-gains bargaining. Labor is not yet interested in implementing the process.

HOW MUTUAL-GAINS BARGAINING WORKS

The mutual-gains bargaining process requires that both parties reveal their true interests rather than defending their positions. After this is done, the specifics are discussed. For labor, the priority is in determining what they need in order to achieve a contract that will provide general satisfaction to the greatest number of people. Management needs to consider the expectations of the elected officials they represent.

Both labor and management agree that the mutual-gains bargaining process was more productive than any previous negotiations. There was more input, openness, brainstorming, and problem solving among the participants. The negotiations were a continuous, open dialogue between the two sides, with no side discussions taking place. Even the lunch break was taken together. Another benefit of mutual gains is that it greatly accelerated the negotiations process. While typical contract negotiations can take up to six or seven months, the most recent contract was negotiated in about a month. By revealing their true interests, each group comes to a better understanding of the other's goals. Participants look for ways to mutually resolve the issues, instead of wondering what they will have to concede. County Manager Jay Gsell also noted that mutual gains helps identify more quickly the issues under negotiation that are most problematic.

In coming to agreement on a contract, although not every interest was satisfied, participants came away from the process feeling that a great deal had been accomplished. Because of the cooperation that is inherent to the process, resentment and hurt feelings are avoided. Agreement is easier to achieve and people feel better, even about the things that did not make it into the contract.

NECESSARY ELEMENTS FOR A COOPERATIVE LABOR-MANAGEMENT RELATIONSHIP

TRUST AND OPENNESS

In order for the county to use mutual-gains bargaining and labor-management committees, trust must exist between labor and management. Everyone involved in labor-management cooperation concurs that keeping to agreements once they have been made is one of the most important elements in building trust. For union officials, in a situation where there are preconceived notions about "the union," delivering on promises you've made is key to allaying the suspicions of management and building trust. Nancy Smith used this approach when she became the CSEA general unit president. It took some time, but eventually management started to understand that they could work with her on the basis of trust.

In 1996, new union officers were elected at the nursing home, and they proved to be more willing to hold to agreements than the previous union leadership. Management concurs it is very important that both sides “stick to the course” of whatever has been agreed upon.

Both management and labor must be open about their interests and positions. Maintaining an open-door policy and encouraging employees to approach management when they have concerns is important to fostering labor-management cooperation. County Personnel Officer Martha Standish says she believes that openness and honesty are the best ways to build the trust necessary for cooperation. However, she acknowledges that sometimes this openness backfires. All it takes is one person to make a comment, and it can affect people’s trust in you. When you are trying to bring together two groups that have traditionally been very adversarial toward one another, trust is very fragile and takes time to build. Yet she still holds to a policy of being “very available and honest, telling things like they are—even if sometimes people don’t like to hear it.”

THE ROLE OF COMMITMENT AND LEADERSHIP

People who are involved in these joint efforts must be committed to the county. Both management and labor must think beyond what is beneficial to their own interests and instead think about what is good for the county as a whole and for their total membership. Both labor and management feel that it is difficult to get people to shift to this new way of thinking.

Before efforts at labor-management cooperation can even begin, the key people involved must see the value of these efforts. There must be a commitment on the part of both labor and management to invest time and effort in the meetings and in the initiatives that emerge. Personalities of the leadership can influence whether labor-management committees are adopted. In the nursing home, the turnover of the union leadership from a president who had operated for a long tenure in an adversarial manner to a president with a very different style was very important. Similarly, Nancy Smith has had a very large influence as president of the CSEA general unit.

There must be a willingness to work things out on the part of the key individuals. In Genesee County, the individuals active in labor-management efforts come to the table with a real desire to work together to resolve workplace issues. One indicator of commitment on labor’s part is that all the current officers in the general unit plan to run for reelection this year. They all feel very positive about the way things are going and want to stay involved.

In departments where management and staff do not see the value in trying to address issues that fall outside of their contract or outside of day-to-day operations in a nontraditional manner, labor-management committees are difficult to establish. The county went as far as bringing in a PERB mediator to try to help facilitate the development of a labor-management committee in one of their non-CSEA units, but it was unsuccessful. However, this department’s management has recently turned over, as

has the union leadership, and Martha Standish is hopeful that it may now be possible to start a labor-management committee there.

CHANGING PERCEPTIONS AND ATTITUDES

Labor and management perceptions clearly play a role in how effective cooperation can be. At the nursing home, the belief among unionized workers was that when management spoke to other people, such as the legislature, they were critical of the union. Management's perception was that the labor-management committee was something that they had to do, but not really a useful forum for solving problems. Both of these perceptions needed change before cooperation could occur.

As Nancy Smith says, in today's workplace, "we need to realize that change is inevitable." One of the challenges of cooperation is that people often find it difficult to accept that sometimes things have to change, even if they might prefer the status quo.

The elected officials agree with the concept of labor-management cooperation, but sometimes have concerns about management too often taking the side of labor. Additionally, there is also some degree of dissatisfaction on the part of some union members who are less knowledgeable and enthusiastic about the process.

GOALS OF LABOR-MANAGEMENT COOPERATION

The goals of labor-management cooperation in Genesee County are not written down anywhere, and the individuals we spoke with each focused on different goals.

Management describes the goal of labor-management committees as fostering an environment of equality among and between labor and management, encouraging *everyone* to bring their ideas forward. One important purpose of committees is to empower employees, by letting them know their opinion is valued and encouraging them to share their ideas for improvement. Management strives to have good, functioning labor-management committees, a good understanding with the union officials, and an established basis of trust, so they will avoid grievances, which are time-consuming and costly. However, the county manager notes that the bottom line is the client—the person they're serving. Anything they do must be done with the final product (the service) and the customer (the taxpayer) in mind.

The union has a goal of educating people on the benefits of cooperative efforts. Believing that most employees sincerely do not want an adversarial relationship, the CSEA general unit president is getting more people involved in some way in the union, and in labor-management committees. She also hopes to establish smaller labor-management committees within county departments.

According to Administrator Jack Pease, one of the main goals at the nursing home is to address the issue of interpersonal relationships. Everybody needs to be treated respectfully in order for things to work, so they are going to be looking more closely at relationships in the workplace. The nursing home staff works in a very demanding

environment, which puts a great deal of pressure on the employees, and he believes improving work relationships can help improve overall performance.

IMPACTS OF LABOR-MANAGEMENT COOPERATION

The county doesn't have objective measures of the effects of labor-management cooperation. The county manager acknowledged that any measurements of success should be implemented through the cooperative process.

The union leadership and county administrators believe that cooperative efforts have made workers more productive and have improved relationships between people in the workplace. Because of the programs that have implemented in the county, the workplace is more family-oriented. For example, you can take a sick day to care for a sick child or spouse.

Not many grievances are filed in Genesee County. When a problem arises, the general unit president will call the personnel officer to discuss it, and they will go from there.

Fortunately, the county has not had much downsizing—most of their workforce reductions have occurred through attrition. Privatization has not played a significant role in the county. While some employees have perceived it as a threat, very few, if any, services in the county have been privatized to date.

Currently, however, the county legislature is considering privatization of the county Mental Health Services. Cuts in state aid have put the agency under fiscal pressure. Together, labor and management in the agency responded to the problem by forming a joint action committee to work on alternatives to privatization. The general unit president works at Mental Health Services and has been heavily involved in this effort. The process has not been negative or adversarial; employees have been involved and have agreed to make changes, some of which have been implemented already. While a decision has not yet been made, it is very possible that privatization will be avoided because of this cooperative effort.

The nursing home unit president believes labor-management cooperation enables management and employees to see the “big picture.” It broadens everyone’s perspective on the functioning of the facility, and is a good forum for bringing people together and getting to the root of challenges in operations.

SERVICE QUALITY

The county has not implemented formal measurements of customer satisfaction with their services. Service quality monitoring and evaluation is probably one of the next areas that the county will be getting into. County Manager Jay Gsell believes that “it’s a priority to understand the needs of the customers. Quality of service, reasonable cost and being treated fairly and equitably are the priorities in service delivery.”

Personnel Officer Martha Standish notes that programs like TQM are great, but they take a great deal of time and effort. They have tried instituting quality workgroups in the Department of Social Services, but they have had a difficult time. Right now they have one self-directed workgroup there, with about five to seven people.

Especially in the nursing home, the quality of service delivery is critical. Nursing homes have changed a great deal—they must operate with much more flexibility in service provision than in the past. So workplace change is happening within the context of a very different environment. They need to keep employees involved, and use the labor-management committee. It doesn't work to make changes in a top-down manner.

Every year the state health department surveys the nursing home. They are trying to use the state survey to do their own evaluation, and they are trying to come up with other ways to measure quality internally, using survey of residents or their family and other information.

COST

The effects of labor-management efforts on cost aren't formally quantified. Martha Standish and Nancy Smith both suggested that the sick-leave bank probably contributes to cost savings, since it encourages people to take fewer paid sick days. There is also a general impression that labor-management cooperation leads to increased productivity and less supervision time, which ultimately lead to cost savings.

In the county nursing home, it is easier to determine costs, as the home's finances are independent from the rest of the county. They are currently making money and are able to pay their bills, so this indicates that the labor-management cooperation has had some positive financial effects.

LESSONS AND INSIGHTS

Training has played an important role in the county's efforts with the labor-management committees and mutual-gains bargaining. People are often skeptical of a new way of operating, and outside assistance can be crucial in resolving such skepticism. Cornell's Industrial and Labor Relations (ILR) Extension and the New York State Public Employment Relations Board (PERB) are very good resources.

Martha Standish also believes that it's important that people maintain a "cooperative spirit." Disagreements will still occur, yet people must realize that there is a forum for resolving these disagreements. Labor-management committees and mutual-gains bargaining provide excellent vehicles for arriving at these resolutions.

For the nursing home, the support of and flexibility allowed by the county manager and personnel officer were important to the success of the labor-management committee. Training also helped labor and management at the home to use the committee more effectively. For some time, the members seemed to get stuck on the same old issues, meeting after meeting. A trainer was brought in from CSEA who showed them how to run the process in a more productive manner. The union president recommends

distributing the monthly meeting agenda to all committee members prior to the meeting. This ensures no one is surprised or caught off guard by the issues that come up at the meeting. It also allows participants time to gather any information they feel might be relevant to the meeting discussion.

Finally, Genesee County is essentially a small community where connections are close. While the county's community service programs developed out of the labor-management committee, they also have served to strengthen the cooperative character of relations between everyone involved in county government.