

A PRIMER ON PLANT-LEVEL LABOR-MANAGEMENT COOPERATION PROGRAM

WHAT IS LABOR-MANAGEMENT COOPERATION?

Labor-management cooperation is a state of relations where labor and management work hand-in-hand to accomplish certain goals using mutually acceptable means.

It is the outcome of a continuing process of enhancing mutual trust and respect through:

- ❖ information sharing
- ❖ discussion
- ❖ consultation
- ❖ negotiations

as schemes of workers' participation in decision-making process on matters not covered by collective bargaining agreements.

WHY IS THERE A NEED FOR LABOR AND MANAGEMENT TO COOPERATE?

Primarily, because labor and management are social partners sharing a common interest in the success and growth of the enterprise and the economy.

Specifically,

- ❖ to promote workers' participation in decision-making processes
- ❖ to create a labor relations climate conducive to productivity improvement
- ❖ to improve the quality of working life

- ❖ to achieve and sustain economic growth

WHAT ARE THE MECHANISMS TO PROMOTE LABOR-MANAGEMENT COOPERATION?

Direct participation mechanisms through small group activities like quality control circles or productivity improvement circles.

Indirect participation mechanisms through joint consultative bodies like labor-management councils or committees.

Combination of direct and indirect participation mechanisms like joint bodies and small group activities.

THE PROBLEM SOLVING PROCESS

To ensure the non-adversarial character of the labor-management committee, issues should be addressed using the problem-solving process involving the following steps:

- ❖ Define the problem
- ❖ Get all the facts
- ❖ Find the cause of the problem
- ❖ Propose solutions
- ❖ Evaluate proposed solutions
- ❖ Select the best solution
- ❖ Implement the corrective action
- ❖ Evaluate the corrective action undertaken

WHAT ARE USUALLY COVERED BY LABOR-MANAGEMENT COOPERATION PROGRAMS?

Sharing of information, discussions consultations and negotiations on matters outside the collective bargaining agreement which may cover, among others, areas of management decisions like:

- ❖ personnel policies
- ❖ production plans
- ❖ business expansion programs
- ❖ productivity improvement program
- ❖ productivity gain-sharing program
- ❖ job security
- ❖ improvement of quality of worklife
- ❖ occupational health and safety programs
- ❖ introduction new technology and machinery
- ❖ retrenchment programs
- ❖ business mergers of closure
- ❖ workers' welfare and livelihood programs
- ❖ sports, recreation and social activities

WHAT BENEFITS CAN WORKERS DERIVE FROM LABOR-MANAGEMENT COOPERATION PROGRAMS?

- ❖ Opportunity to participate in policy and decision-making process
- ❖ A channel of communication to top management
- ❖ Means to make inputs in solving operational problems and management plans affecting workers in the workplace
- ❖ Avenues for employees to air complaints that cannot be appropriately addressed in the grievance procedure
- ❖ Opportunity to demonstrate that the union is a responsible organization with a constructive role to play beyond the traditional contract negotiations and grievance settlement
- ❖ Opportunity for self-improvement and on-the-job leadership training

WHAT BENEFITS CAN MANAGEMENT DERIVE FROM LABOR-MANAGEMENT COOPERATION PROGRAMS?

- ❖ A forum to share information about business conditions, quality problems, product development and other matters that demonstrate the role of employees in the success of the enterprise.
- ❖ An opportunity for advanced discussion of operational problems and plans, particularly those affecting employee work schedules, overtime, lay-offs, transfer, etc.

- ❖ A means to relate with the union without being bogged down in labor relations issues.
- ❖ Opportunity to demonstrate responsiveness to constructive suggestions and valid complaints of employees in improving the workplace.
- ❖ Means to tap the large reservoir of know-how and creativeness of employees.
- ❖ A channel of communication with employees
- ❖ Enhancement of human factor in organizational effectiveness.

STEPS IN THE FORMULATION OF LABOR-MANAGEMENT COOPERATION PROGRAMS

- ❖ Orientation on labor-management cooperation
- ❖ Recognition of common objectives and problems and the need to cooperate and agree on mutually acceptable solution
- ❖ Determination of appropriate organizational structure
- ❖ Adoption of operating guidelines to govern the cooperation program
- ❖ Setting-up of the operating structure
- ❖ Training of persons involved in the cooperation program
- ❖ Identification and prioritization of problems
- ❖ Formulation and development of plans and projects
- ❖ Implementation of plans and projects
- ❖ Monitoring and evaluation of projects

GUIDELINES IN SETTING UP APPROPRIATE ORGANIZATION STRUCTURE

Under R.A. 6715, the operating mechanism for labor-management cooperation program in organized establishments is called Labor-Management Council. In unorganized establishment, the mechanism is called Labor-Management Committees.

To ensure the orderly operations of the Council or the Committee, it is desirable that the parties agree on the basic guidelines or principles which may include:

- ❖ The objectives of the committee/council
- ❖ Coverage of committee's/council's activities
- ❖ Structure and size of the committee/council

- ❖ Time, place, duration and frequency of meeting
- ❖ Procedure for the timing exchange of agenda
- ❖ Recording, maintenance and dissemination of minutes of meetings
- ❖ Other matters the parties may wish to include

ORGANIZATION AND STRUCTURE OF A LABOR-MANAGEMENT COUNCIL OR COMMITTEE

While there are no set rules, a typical committee/council has the following organizational features:

- ❖ Composed of an adequate number of representatives from labor and management.
- ❖ Labor representatives shall be elected by at least the majority of the workers in the establishment.
- ❖ Management is represented by top level officials, the personnel or industrial relations manager, the production manager and other officers including supervisors.
- ❖ There are two co-chairmen – one from each side who serve concurrently or on a rotating basis. A secretary is also appointed.
- ❖ A third party facilitator acceptable to labor and management may assist the committee particularly in the early stages of its operation.
- ❖ Sub-committees may be formed to consider specific concerns at the shop-floor level.

WHAT FACTORS ARE NECESSARY FOR THE SUCCESS OF LABOR-MANAGEMENT COOPERATION?

- ❖ Attitudes
 - sincerity
 - mutual trust
 - commitment
 - mutual respect
 - mutual support
 - openness
 - teamwork
 - objectivity
- ❖ Appropriate skills
 - leadership
 - communication
 - problem-solving
 - facilitation
 - team building
 - planning
- ❖ Suitable structure
 - ❖ addresses identified needs and concerns
 - ❖ can be formal, informal or both
 - ❖ assures adequate representation of labor and management
 - ❖ ensures attainment of decisions through consensus
 - ❖ provides feedback mechanism at all levels of the organization
 - ❖

THE ROLE OF THIRD PARTIES

Parties to a labor-management cooperative effort may require the services of a third party facilitator. At their invitation, a facilitator can assist in a variety of ways particularly in the initial stages, to wit:

- ❖ Help enhance mutual trust between labor and management
- ❖ Assist the parties in identifying common interests, problems and opportunities
- ❖ Facilitate the first few and often difficult meetings of a new labor-management committee
- ❖ Guide the committee in problem-solving techniques
- ❖ Provide technical assistance to the committee
- ❖ Assist the parties obtain technical assistance from other agencies and institutions.

NCMB SERVICES ON LABOR-MANAGEMENT COOPERATION

- ❖ Promotional activities
- ❖ Development, production and dissemination of IEC materials (NCMB Briefing Paper, Primer on Plant-Level LMC Program, posters/stickers, jingles, sound slides/video)
- ❖ Conduct of
 - ❖ Symposia, seminar-workshop, conference
 - ❖ Discussion groups/networking
- ❖ Technical Assistance
 - ❖ Conduct of orientation seminar on LMC
 - ❖ Conduct of “LMC FACILITATORS’ TRAINING”
 - ❖ Interpersonal Relationship/Group Dynamic Skills
 - ❖ Communication Skills
 - ❖ Organizing/Facilitating Skills
 - ❖ Needs Identification and Analysis
 - ❖ Problem-solving Skills
 - ❖ Value Formation
- ❖ Setting up of labor-management cooperation mechanisms
- ❖ Publication and Research
- ❖ “LMC At Work”
- ❖ Action Researches/studies

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