

Creating Partners

***The National Electrical Contractors Association (NECA),
Orange County
and
The International Brotherhood of Electrical Workers (IBEW),
Local 441***

***WORKING WITH MOBIUS INC. CONSULTANTS
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In the spring of 1996 the electrical contractors in Orange County, California that use union labor were continuing to lose market share. These union contractors, as elsewhere in the U.S., were completely out of the residential market and were beginning to lose market share to non-union contractors in other markets as well. Many of the leaders in the union (IBEW) and the contractors association (NECA) recognized that non-union labor and non-union contractors were a bigger threat to their success than each other, but they didn't know how to shift into collaboration from their long standing adversarial mode.

The Orange County experience is presented here as a case study in "whole systems dialogue for action" (WSDA), the approach Mobius, Inc. has taken to what is called in organization development circles "critical mass events" or "large scale interactive processes" (LSIP). There is a lot of literature on various approaches to the events themselves but not much is written about the contracting process that precedes the whole systems dialogue. We focus in this article primarily on the initial contact and contracting process but also include a brief summary of events and results. This project presented a special challenge in that the contracting involved two separate adversarial organizations that had to agree to pursue and pay for a joint process.

The Leadership

Steve Brown, the NECA manager for twenty-five years was well thought of and had the trust and friendship of his nine member board all of whom were owners or sons of owners of contracting companies. The IBEW Local 441 had a newly elected leader in Doug Saunders. Both leaders were in a strong position within their organizations yet chose to take a risk to bring in outside consultants to see if what seemed like dire “realities” in their individual organizations could be transformed through a more collaborative partnership.

Doug and Steve were willing to explore consulting support for collaboration partly because both NECA and the IBEW had been encouraged by their national organizations to look for alternative methods of working in partnership - methods to complement but not replace formal bargaining.

Steve understood that *Mobius, Inc.; Organization Development Consultants* was a consulting partnership dedicated to facilitating collaboration. We told Steve we are convinced that through *dialogue* (what we call Whole Systems Dialogue for Action) organizations, groups and individuals can discover common ground they did not believe existed. The common ground discovered through dialogue can serve as a basis for powerful joint action.

Agreement to the Possibilities

Steve asked us how we would propose to develop a “partnering” relationship between NECA and the IBEW. We said trust needed to be developed, and maintained, every step of the way, and that “no” from either organization at any point had to be O.K. For success to be possible we said that:

1. The leadership and membership of both organizations must believe in the possibility of success,
2. The members of both organizations must think that *Mobius, Inc.* could contribute to the success and,
3. The voices of doubt and skepticism needed to be heard respectfully and taken into account.

We said that no two situations are ever alike. Project objectives need to be defined by all the potential partners. We suggested that we start with a conversation with Doug, the union leader and go from there. We said that when the leaders and a representative sampling of the members of both organizations tell us that they see the possibility of success out of a partnership with *Mobius*, we will sign a contract but not before. We requested that they jointly pay all of our out-of-pocket expenses during the time we were exploring possibilities. If all parties decide to go ahead with the project we would expect to be paid for our initial time. We are always willing to share the risk when exploring possibilities. We do not want to do work that will not contribute significantly and we are confident that the initial dialogues will provide project objectives to which all will commit.

We met with Doug and listened to fully understand his situation and its challenges. Doug listened to us to determine if Steve and NECA had some agenda in mind for our work together that would not serve the needs of the IBEW. He decided that the possibilities of success were worth taking a risk and agreed to go the next steps. We suggested a conversation with fifteen union leaders to ask them what they would need to see out of the project for them to say it was worth the time and money. We requested the same conversation with the NECA board members.

The union leaders and NECA board members were skeptical; they thought it could be a waste of time and money, and similar to some well remembered failures from the past. Both organizations gave us a long list of what was currently wrong with their relationship and how they were headed into a worse situation unless the "other" changed. We listened and helped them translate their lists of troubles into "possibilities for success" in the project. It was important that they were willing to be challenged to explore what it was they WANTED TO CREATE WITH EACH OTHER rather than continue to pursue who was at fault for the problems. We suggested a joint meeting with both groups to look at the results and explore their lists side by side. (List follows)

Measures of Success for Project

*What is missing now
that if present
by the end of the project
we would call it a success?*

association
NECA PRIORITIES

Shared commitment to a strategic plan for the Industry

Union members (rank and file) understand our Industry and recognize the need for change

Trust by Union in understanding our needs

Agreement to concrete solutions to strategic plan goals

Recognition by Union and NECA members of the mutuality of our interests

Union leadership focuses on industry-wide (strategic) goals

Open communication by Union members involved in negotiations and problems-solving

Agreement to a strategy for combating non-Union competition

Union approach to the market as a business providing a service (labor) with a commitment to customer service

Union members trust Union leaders

union
IBEW PRIORITIES

Agreement to a big picture view of the whole industry

Participation by full Union membership in discussing industry-wide issues

Contractors understanding how they can help us bring in new members

A shared strategy for dealing with the barriers to success in the market

NECA and Union need to learn how to get along better if we all are to survive

Acknowledgment by Contractors of the contribution of Union leaders in educating members on industry-wide issues

Joint efforts by NECA and Union members to bring in new members

Everyone was amazed that their lists had far more in common than they had ever imagined. The NECA members were especially impressed with the thoughtful responses from the union. "O.K.," they all said, "but how will we be able to achieve success given our current adversarial relationship? It's never worked in the past, why should it work now?" We proposed objectives for the project given what we heard and asked the combined leadership of the two organizations to evaluate them. Together they spelled out the objectives for the project that they would need to see in order for them to say that the partnering project was a success.

PROJECT OBJECTIVES

- 1. Commitment to common goals (including recapturing market share) and a strategy for responding to other industry-wide challenges.**
- 2. Agreement to action plans for joint efforts by NECA and IBEW to increase Union membership**
- 3. Increased membership and increased participation by members in both organizations.**
- 4. Agreement to collaborative processes for solving urgent, local problems that support but go beyond existing collective bargaining processes.**
- 5. Commitment to a long term process for developing collaboration between IBEW and NECA.**

We asked each person in the group to say whether they saw enough possibility of getting to the objectives, given the success of the joint conversations to this point, that they would go the next steps. Each one agreed.

We had one additional meeting with forty of the most skeptical and vocal members of the union. We requested the meeting when union leaders expressed concern about some member opposition to the project. At four in the afternoon on a hot day, we sat in the hall and listened to understand each passionate concern. It became clear that what was needed was an opportunity for IBEW members to come together to reaffirm their brotherhood and look to see what they as a union wanted out of a partnership with the contractors. Union members were fearful that if they went into dialogue with the contractors without this opportunity, the better organized contractors would control the results. They imagined that contractors had lots of time to talk and strategize while union members were working hard on the job. We felt challenged and passionately engaged by all participants. At the end of the meeting we requested a spoken evaluation of the meeting by everyone present and an indication about whether they would participate in a dialogue with the contractors. We were surprised that everyone said it was one of the best meetings they had had for years and that they wanted more. They said that they would like to attend the dialogue with the contractors assuming the support of their supervisors at work and the opportunity to meet together as union members and prepare themselves.

It was at this point that the leadership of both organizations agreed to contract with us to work together to meet the project objectives. They agreed to pay us out of joint funds managed by a group already established called the Labor Management Coordinating Committee (LMCC) which was established in response to a call from the national leadership of both organizations to begin to collaborate. To date the LMCC had jointly sponsored some PR efforts and some union training but enthusiasm was waning.

In a meeting with us the contractors agreed that a strong union would make for a strong partnership, and they chose to support the development of the union with their time, energy and money. It was agreed that the next step was for the union membership, as many as could attend, to spend two days together to get clear about their own vision of success and their proposed priorities for action.

Agreement to Priorities for Action

ALL UNION MEETING:

Seventy IBEW members met for two days to celebrate their past, share their differing and often angry perspectives on the present, and come to agreement about what they saw as possibilities, if any, for the future with the contractors.

At the conclusion of the two days the participants were asked if they wanted to spend two days in the fall, in a similar kind of dialogue with the contractors, superintendents and other members of contractor organizations. The answer was an overwhelming “yes”, assuming that the contractors would follow the groundrules for the dialogue that they had just experienced. Sixty-five of the seventy participants said they would like to attend if the pressures of work didn’t prevent it.

The groundrules that we bring to the design of “Whole Systems Dialogue for Action” are

- 1) all the differing stakeholder points of view will be present in the dialogue,
- 2) every participant will have an opportunity to speak and be heard,
- 3) every participant will attend for the whole dialogue session and be expected to listen with a commitment to understand the differing perspectives, and
- 4) commitments for action will come out of the common ground discovered by all.

PREPARATION FOR UNION/CONTRACTOR DIALOGUE

Members of both organizations met with us in the summer to prepare for a two-day dialogue in the fall. The big questions were;

- 1.) How to support the IBEW members in their attendance, and
- 2.) How to get contractor members to attend.

Having seen the results of the union event, the contractors felt confident that it was worth the time and money to get their people to attend - both the members of their organizations and the union members who worked for them.

Preparations for the two-day dialogue included preparing a side by side list of the IBEW viewpoint and the NECA viewpoint to bring as a summary to the participants for their evaluation. (list follows)

What We Need To Change

Priorities for Action

<i>Union*</i> IBEW Viewpoint From All Union Conference July 19-20	<i>Contractors</i> NECA Viewpoint From NECA Conference July 22
1. Training to anticipate changes in the Industry	** 4. Respond to changing technologies which require new skills and sometime less skills
2. Develop new approaches to recovery of market share	1. New, flexible rules for new approaches to market recovery
3. Improve public reputation of IBEW and NECA	2. Improve public reputation of unions
4. Better communication to develop trust and respect workers <-> contractors workers <-> workers	4. New ways of union & contractors working together (given the limitations of everyone's schedules)
5. Organize & educate the labor force	4. Respond to the declining union market share
• Develop political support	• Respond to the changing national and local market conditions, i.e.
• Improve moral of workers	shift from local to regional markets
• Reduce the competition	Downsizing
• Increase profit and productivity	dollar driven competition

* we alternated which organization was listed first on each chart

** numbers indicate order of priority, #4 was tied 3 ways for the contractors

THE WHOLE SYSTEMS DIALOGUE FOR ACTION (WSDA)

In October, nine contractors, twenty-one members of their organizations and forty-five IBEW members met for two days in the union hall. The participants were given a nametag and assigned to a circle of eight chairs. Each circle had an owner/NECA board member or a superintendent, a supervisor or foreman, a journeyman and an apprentice and some circles had union leadership or contractor organization employees. Everyone was hopeful and skeptical that the dialogue, begun with the leadership of the two organizations, could be successfully expanded.

Day one included facilitated dialogue on priorities for action, setting one-year priorities and evaluation of the process to date. Day two included action planning and presentations of one year plans by the combined union/contractor *action groups*. (“Results” follows)

Results of the dialogue were summarized in one page that went to all members of both organizations.

RESULTS

RECOVERING MARKET SHARE

A Promising Beginning

WHO: 75 members of IBEW and NECA

WHAT: Met for two days of dialogue about recovering market share

WHERE: At the IBEW union hall

WHEN: October 11-12, 1996

RESULTS:

For the first time members of IBEW and NECA

- **Agreed to common goals to guide joint action to recover market share.**

An action team was formed to prepare a strategic plan that coordinates joint efforts. The plan will be brought to the membership of both organizations in January 1997

- **Developed action plans together to reach one year priorities.**

Six priorities for action were agreed to along with proposed steps to make them happen.

- **Agreed to a joint leadership committee to coordinate immediate action steps and longer range plans to recover market share.**

The Labor Management Cooperative Committee (LMCC) has agreed to take responsibility for responding to proposals from the action teams and for communicating with members of both (IBEW and NECA) organizations

- **Agreed that the dialogue process used in the conference should be continued as a permanent addition to traditional negotiations.**

We will always have differing interests that need to be negotiated, but it is now clear that we can also use dialogue to find common ground for joint action when we differ.

***The conference marked a new beginning
for cooperative action between
NECA and IBEW***

Immediate results: Everyone stayed for the entire two days, turned in a written evaluation and most gave a spoken evaluation to the whole group. Every evaluation was positive. All agreed that *dialogue for mutual understanding* was a new way to be in relationship and that the two days had been an overwhelming success. They had,

- Experienced partnership in a new way,
- Explored their differences and shared commitments,
- Created joint task-teams called “Action Groups” with action plans and timelines, and
- Enlisted the labor-management committee to support the Action Groups and approve or disprove their initiatives in a timely way.

No one was without skepticism. Could they really trust what seemed different and new? Would it really make a difference? All were committed to supporting the partnership in every way possible.

Doug and Steve had mixed feelings about the enthusiasm and initiatives that came as a result of the dialogue. They were not sure they had the systems in place to support the implementation of the joint commitments and had some fear that they would be the fall guys for any incomplete actions. They agreed however, that they were very pleased to have joint actions now possible that hadn't existed before, and would do everything they could to support them.

Steve wrote in October, *“We had our first follow up meeting of the Action Groups with the full Labor Management Cooperative Committee last week. Each of the Action Group Champions outlined plans for their continued activities and set a follow up meeting for late in November. Each of the Action Groups will continue to meet independently in the meantime and prepare a more formal blueprint of the intended activities during the coming months.*

The Action Group dealing with communications is in the process of preparing a summary of the program to date which will be distributed throughout the industry...

Everyone involved in the project is enthusiastic about the new tools we are learning to use in seeking win-win solutions in an environment requiring mutual understanding rather than adversarial polarization. Partnering is definitely equipping our industry to better address the problems we face...”

Summary and conclusions

Our experience tells us that the results achieved in Orange County are possible where leaders are willing to take the risk to begin to explore with us a *dialogue for mutual understanding*. When we listen deeply to understand the stories about what should be stopped, who should change, and what has gone wrong in the past, we can participate in finding out what's currently *missing* that would need to present for all participants to say our partnership with them was successful. When there is a shared vision of success, energy and commitment are present. Our responsibility as consultant partners is to help to translate the "what's wrong" stories into "what's missing that we want to create"; to define clear measures of success that all contracting partners get as possible and to which they are willing to commit. If we can do that consistently then the risk we take up front to explore possibilities without a contract is a small risk and serves as an **excellent discipline for us as consultants**.

Epilogue

ONE YEAR LATER

The IBEW Local 441 has a new leader; Doug Saunders was promoted to a district leadership position. NECA and the IBEW continue to work collaboratively. Steve believes a strike was avoided and says that the annual bargaining session was the shortest ever, two hours. Industry conditions have also improved but work in the joint action groups continues despite competing time commitments. The joint Labor Management Cooperative Committee (LMCC) has decided to hire someone to manage the initiatives that are developed by the action teams. We (Mobius, Inc.) have been asked to facilitate quarterly joint meetings to support continued collaboration. At the last quarterly meeting 30 members of both organizations met for four hours and agreed to a final strategic plan to guide joint action for the next year. The atmosphere of respect in the room was such that it was not always obvious who represented management and who represented labor.

CALENDAR OF EVENTS IN THE MOBIUS PROCESS

PARTNERING FOR SUCCESS 1996

NECA Orange County Chapter - IBEW LOCAL 441

1991 IBEW-NECA "Blueprint for the 90's; The Road to Jobs in the 21st Century", "A joint survival guide for the electrical construction industry"

1994 NECA-IBEW review of "Blueprint for the 90's"
"Efforts to re-energize our joint efforts"

Mobius Inc. PROCESS:

March 1996 9 NECA Orange County Board members and 13 IBEW Local 441 members explore possibilities of working with Mobius, Inc. as consultants and agree to "measures of success" for partnering project.

May 1996 Mobius met with Doug Saunders (IBEW) and Steve Brown (Mgr.NECA) to plan next steps and also with 40 skeptical IBEW members to answer questions

June 1996 14 IBEW members met with Mobius to plan for the all-union meeting

July 19-20 All-union meeting to prepare for partnering conference with NECA, 70 members participated for both days

July 22 NECA meeting to prepare for partnering conference with the union

August 14 Six members of the union and four members of NECA met to prepare the IBEW-NECA partnering conference

Oct. 11&12 45 IBEW members and 30 contractors and members of their organizations met for two days of dialogue to plan for joint success.

FACILITATING LARGE SCALE DIALOGUE

New Responses to a New Reality

The emerging world of complex, rapid change on a global scale requires that our communities and organizations be able to anticipate and respond quickly and creatively. Creativity requires a rich variety of divergent viewpoints; talents and resources, which are normally, present although often untapped. Speed requires a means of effectively communicating on a large scale so that common ground for action can be quickly identified and dialogue about differences can result in mutual understanding and the discovery of new possibilities for commitment and action.

New, effective approaches to facilitating community-wide, and organization-wide, dialogue have been developed and widely tested in recent years. Three key elements to success in large scale communication include the gathering of all key stakeholder groups in the same room, the identification of an issue which all agree is critical to success, and a design for the event that features dialogue in which all participate. Remarkable success has resulted from events involving hundreds, even thousands, of participants. When a critical mass of stakeholders emerge with mutual understanding of differences, a shared vision, and clarity about the different actions each will take, communities and organizations change quickly and creatively.

MOBIUS, INC. provides leadership in the design and facilitation of large-scale development events for communities and organizations. We are able to draw on the services of as many professional facilitators as needed to ensure success. References of past clients are available on request.