

MODULE II

UNION FIELD ANALYSIS

Content	Page
I. Introduction	2
II. Operational efficiency policy	3
III Union's field analysis	11
IV Mission statement	17
V. Module's summary	22

Note: Some pages which are intended for exercises and work during the course are omitted in the Participant's version. They will be handed out during the course.

I. INTRODUCTION

In Module I, reference is made to the “trade union market”¹ suggesting that the union – its Leadership – should be sensitive to “market” opportunities, weaknesses and competitive advantages over other unions, worker organisations and so on. It also suggested being sensitive to products² attracting the participation of workers.

The concept of “union field analysis” used in this course is equivalent to what businesses call “market analysis” for their businesses. Although a union does not seek commercial profit, an assessment of its needs for development and strength demonstrates that it requires the application of similar techniques to analyse its field of operations and augment its capacity to influence change in the direction of its objectives.

A number of well-proven Organisational Development techniques to strengthen organisations and businesses have been adapted in this module to provide union leaders with tools to make their unions more effective and competitive in today’s world. These techniques are demonstrated through three small-group activities demanding dialogue, vision, understanding and team decision-making under the pressure of time. They set the ground for the rest of the course work:

The first activity focuses on developing a policy of efficiency throughout the union. In other words, establishing the operational parameters that ensure that all members follow the Congress’ and Executive’s decisions and the Leadership’s efforts with enthusiasm, solidarity and unity while at the same time avoiding a waste of energy or resources in unhealthy internal rivalry or sectarian interests.

The second provides participants with the opportunity to apply a field analysis technique to assess the social, political, and institutional forces that influence the union’s field of operations creating pressures on the union, and ways to help the union take a leading position within its field.

The third demonstrate how a well-thought out mission statement can be instrumental in gaining and increasing membership support and provides participants with theory and practice in developing a useful mission statement.

While the techniques presented in this module can be very useful for leading the union efficiently and effectively, there is a fundamental condition which is the Leadership’s team consistency in functioning as a team and relating as a team to the rest of the union.

Cohesion and a common understanding of the issues affecting the union is a critical requirement for effective leadership. This does not mean that all members of the Leadership should think exactly in the same way or that there shouldn’t be discussion of various points of views within the Leadership. On the contrary, a variety of views is healthy. Constructive discussion and respect for one another help the team to grow together. Even so, the Leadership’s first mandate is to reach agreement and take decisions as a common unit and as the unique guide between Congresses and between N.E.C. meetings.

Dissent is healthy because it helps each member of the team to question his/her position, but arriving at agreement is a must. Once a decision or an agreement has been taken within the Leadership team, each member must act in harmony with the decision taken. Members of the Leadership are worthy of their function only if they can act as a team.

A personal effort from each member of the team to reach consensus is an indispensable approach that facilitates leadership teams’ performance and participants are encouraged to use such an approach in this module’s exercises which emulate actual top Leadership challenges.

¹ Module I, p. 25

² **Product** - The term “product” in this course is also applied to services, since the production of a hard product, software or the delivery of a service, poses comparable demands to the Leadership in terms of organisation, commitment, responsibility.

II. OPERATIONAL EFFICIENCY POLICY

An operational efficiency policy document is understood as a formal statement of operational principles established by the Leadership to provide guidance to union officers and members regarding the implementation (execution) of activities.

1 Definitions

1.1 Related to quality:

Quality: degree to which a set of inherent characteristics fulfils requirements.

Requirement: need or expectation that is stated, generally implied or obligatory.

Stakeholder satisfaction: the stakeholder's perception of the degree to which the stakeholder's requirements have been fulfilled. (The same definition is applicable to member satisfaction).

Capability: ability of an organization (the union), system or process to realize a product (outcome or impact) that will fulfil the requirements for that product.

1.2 Related to operations:

System: set of interrelated or interacting elements.

Operational system: system to establish policy and objectives and to achieve those objectives.

Effectiveness: extent to which planned activities are realised and planned results achieved.

Efficiency: relationship between the result desired or achieved and the resources used.

1.3 Related to organisation

Organisation: group of people and facilities with an arrangement of responsibilities, authorities and relationships.

Infrastructure: system of facilities, equipment and services needed for the operation of an organisation.

Union's field: set of conditions under which union work is performed. The union's field includes (1) members, potential members, sector workers and workers at large, (2) national, regional and local structures, (3) employers and employer associations, (4) government, ministries, legislation, public administration and political organisations influencing government decisions and (5) supporting and competing organisations.

1.4 Related to process and outcomes

Process: set of interrelated or interacting activities which transform inputs into outputs.

Project: process consisting of a set of coordinated and controlled activities with start and finish dates, undertaken to achieve an objective conforming to specific requirements, including the constraints of time, cost and resources.

Monitoring: continuous recording of indicator-data to supply information about progress in execution of activities in connection to established timetables, infrastructure, inputs, activities and outputs.

Procedure: specified way to carry out an activity or a process.

Traceability: ability to trace the history, application or location of that which is under consideration.

1.5 Related to conformity

Conformity: fulfilment of a requirement.

Nonconformity: non-fulfilment of a requirement.

Corrective action: action to eliminate the cause of a detected nonconformity or other undesirable situation.

Preventive action: action to eliminate the cause of a potential nonconformity or other undesirable potential situation.

1.6 Related to documentation

Specification: document stating requirements.

Operational manual: document specifying the operational system of an organization.

Record: document stating results achieved or providing evidence of activities performed.

1.7 Related to analysis

Evaluation: systematic examination of the extent to which the union has been able to meet stakeholder requirements.

Review: activity undertaken to determine the suitability, adequacy and effectiveness of planned strategies, processes or activities to achieve established objectives.

2 Principles

The adoption of an operational efficiency policy should be a strategic decision by the union's Leadership. The design and implementation of an operational efficiency policy is influenced by varying needs, particular objectives, results of projects, campaigns, operations, services, the processes employed and the size and structure of the union.

Module I proposes eight principles of effective union leadership (See Module I, IV-3.1.1). While one objective of this course is to broaden leaders' knowledge of principles and methods that are effective in leading organisations, it is not its intent to instil uniformity in the structure or styles of Leadership. From equivalent foundations, successful organisations of various shapes and operational systems that suit the needs of their members and beneficiaries can be built.

The purpose of a union is:

- to identify and meet the needs and expectations of its members and stakeholders, to be in the front line of the struggle for the improvement of workers' conditions, and to do this in an effective and efficient manner, and
- to achieve, maintain, and improve overall union performance and capabilities.

3 Benefits

The application of effective leadership principles not only provides direct benefits but also makes an important contribution to managing costs and risks. Results, costs and risk management considerations are important for the union, its members, the labour market and interested parties. These considerations on overall performance of the union have varying degrees of impact on:

- member loyalty and membership growth;
- its ability to repeat or perform new actions and campaigns;
- establishing partnerships;
- producing operational results
- flexible and fast responses to members' needs and/or labour market opportunities;
- project costs and activity cycles;

- the effective and efficient use of resources;
- aligning of people and processes towards common objectives;
- its ability to create competitive advantages from improved organizational capabilities;
- understanding members and potential members and motivating them towards the union's goals and objectives;
- involving people to participate and contribute to continual improvement of the union;
- increasing stakeholders' confidence in the union's capabilities
- its stakeholders' confidence on the union's achievement capacity to produce financial and social benefits
- its overall performance and reputation;
- the Leadership's ability to respond with promptness to changing field conditions.

4 Operational efficiency cycle³

An operational efficiency policy should focus on the sequential processes that form the cycle of operational efficiency. These processes are logical steps that must be performed in sequence to ensure successful performance. They add coherence between the union's constitutional principles, the way the union performs and the results obtained.

The overall operational efficiency cycle includes seven distinctive processes: Identification (of needs, opportunities and threats), Design (of responses to needs, opportunities and threats), Planning, Execution, Monitoring, Evaluation and Review (IDPEMER):

4.1 Identification of needs and opportunities and threats

Operational system: to identify the needs and expectations of interested parties, and the opportunities and threats in the field, the union's operational system should include feedback and research methodologies and procedures to capture this information in a balanced way, covering the whole union's field.

4.2 Design of appropriate responses to needs, opportunities and threats

Design is a strategic process that includes three essential specific sub-processes that ensure the response to an identified need, opportunity or threat is appropriate, feasible and can be improved:

- Definition: detailed and complete description of the response including the requirements it will satisfy and the resources required to execute it;
- Delivery: detailed and complete description of how the response will be produced and delivered;
- Impact assessment: list of applicable indicators that will provide assurance that the response was executed according to requirements and will help determine the level of impact achieved in relation to aims.

4.3 Planning of the actions required to implement responses

Module I, section 3.4, defines planning as "*the act of formulating a programme for a definite course of action*" adding that it "*is characterised by the application of logic to define the goals and objectives and to formulate projects and procedures to realise them within a perspective of time and mobilisation of resources.*"

³ See also A Leader's Manual, Section 3.4 Managing the Union (a systematic process), Union Network International, 2002, Theory, p. 71-74.

Planning therefore, requires knowledge and application of specific techniques that will provide guidance, actions that will be necessary to achieve objectives, funding and procurement of resources necessary to implement activities and time-tables including targets and milestones to ensure that inter-dependent activities are well coordinated.

The identification and design processes are the bases for planning. Activity should be logically linked to design strategy.

Therefore, planning should include a description of activities, the responsibility and authority of those entrusted with such activities, procurement and allocation of resources, targets, timetables and all necessary operational mapping documents that will help successful achievement.

In order to ensure a logical planning process, the Leadership should ensure that the operational and financial systems to put plans into action exist or are developed prior to their implementation.

4.4 Execution of plans

The implementation of planned activities sets the structure of the union on the move to achieve desired results. Prior work in identification, design and planning should be the basis for smooth and punctual execution of planned actions and is fundamental for effective implementation and desired impact.

The Leadership has the responsibility to be consistent and visible in all processes and in particular during this one, demonstrating genuine involvement while avoiding interference or abuse of authority which would undermine all the advantages of visibility, involvement and delegation.

The ability of those in charge of activities to identify nonconformities and quickly resolve problems by themselves within their level of authority or their promptness to provide feedback and the Leadership's ability to quickly respond to feedback or need for involvement are fundamental for effective implementation.

4.5 Monitoring activities, results and spontaneous events

Monitoring is keeping track of the execution of planned or spontaneous activities and of their results. It provides measurement parameters to assess results vis-à-vis plans.

This process must be planned prior to the execution of activities so that the measuring methods used produce reliable and comparable data which are essential to demonstrate achievements in a credible way.

Often, monitoring needs to capture specific measurement or requires the use of technology and computers. The union should ensure that all these devices guarantee accurate data processing and that computers are equipped with the appropriate software.

4.6 Evaluation of action results or product achievements and impact

Evaluation is a systematic examination of the extent to which the Union has been capable of meeting planned requirements. All processes that have an impact (positive or negative) on the union's field of operations should be evaluated to help the union improve. Therefore, monitoring records on inputs, operations and outcomes should systematically feed into the evaluation process.

The analysis of monitoring data provides a factual basis for a reliable evaluation process which should produce documented conclusions focusing on weaknesses or failures, achievements or strengths, and trends vis-à-vis previous evaluations.

Evaluation report conclusions should be supported by suggestions for preventive or corrective actions and improvements for decision-makers, using comparable and reliable indicators of progress and achievement. Thus, evaluation reports become the main inputs to the Leadership’s review process.

4.7 Review of all relevant processes

The Leadership’s review is a process whereby the Leadership demonstrates its involvement in the improvement of the union’s operational systems, and assesses whether plans have been achieved and whether appropriate action for improvement has been taken.

The review process ensures that the monitoring data and evaluation reports comply with requirements of reliability enabling the Leadership to assess trends and learn from previous experiences.

The outputs of the Leadership review are decisions to continue, discontinue, repeat or improve processes, project or activities. They can also include decisions to sanction or reward individuals or organisations, based on analysis of results. On this basis, decisions for improvement can successfully contribute to the union’s institutional growth.

5 Cycle of operational efficiency

The cycle of operational efficiency represents the ongoing life of a successful organisation. However, the cycle is fully effective only if applied in a multiple form: each of the sequential processes described in section 4 must be applied also internally to each process on its own. In other words, each cycle process has a sub-cycle of its own where Identification, Design, Planning, Execution, Monitoring, Evaluation and Review can be applied to itself becoming the key to continuous improvement and to the success of the union.

Figure II-5 below, shows the overall cycle and its multiple applications.

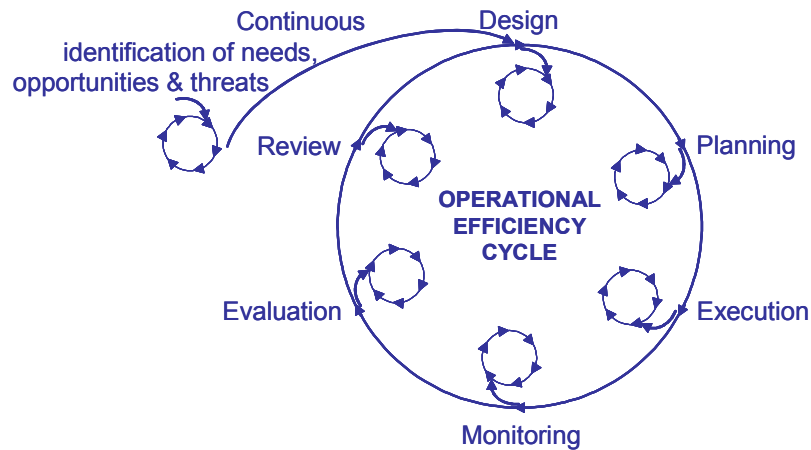


Figure II-5 – The Operational Efficiency Cycle

III. UNION'S FIELD ANALYSIS

During the discussion on handling stakeholder needs and expectations (See Module I. section 3.2.2, page 25) mention is made of the “trade union market”. At the beginning of the section II of this Module, the union’s field is defined as a “set of conditions under which union work is performed”. From the socio-economic point of view, the concepts of field and market are very close and therefore this section includes an update of the referred section of UNI’s Leader’s Manual:

1 The union’s field⁴

In its field of operation the union encounters demands made by people, in this case, the workforce; whether organised in a union or not. Whenever possible in the labour market, the first demands are "negotiated" by the individuals involved in the contracting process where the about-to-be-hired worker discusses employment conditions, salary level and benefits for the responsibilities being taken with the employer’s personnel officer in charge. At this point, the union has a marginal role except for hiring conditions that may have been defined in the current collective agreement.

The union’s field is determined by geographical boundaries, in most cases the whole country, which usually coincides with the union's jurisdiction, the sector of activity of related employers and the existence or absence of a collective agreement. Multinational employers pose new challenges to unions not always covered by collective agreements. Nonetheless in most cases of companies with a national structure, there is usually an employers’ association, and at the local level, a human resources department representing the employer, with whom organised workers can establish dialogue.

Before any local union is organised, employers have already to comply with government regulation and legislation. A ministry and ministerial departments represent the country's and the people's interests vis-à-vis the employers'.

Basically, the above would be enough to describe a trade union's field of operations in a few paragraphs. However, looking at it from the socio-economic angle of relationships and interactions its dynamics is very similar to a market, including similar and considerable challenges for a union to face and tackle with success. There is an interactive environment where interpersonal transactions take place just like in a trading environment, and as in a market there are also two principal characters “suppliers” and “customers”. In previous sections, the latter term has been referred to by the term “stakeholders”, which is used in many parts of this course to refer to all interested parties in the union, from members to government and SSOs. The term is used to indicate any of these interested parties when they receive or seek benefits from the union, although they may also be suppliers of inputs to the union.

A supplier is someone or an organisation that provides anything in a transaction, such as information, remuneration, funding, regulations, opportunities, services and goods. A customer is anyone who invests time, money or energy in the transaction with the intention of obtaining something in return. (No supplier and no customer is a supplier or a customer constantly, the roles change according to the action being performed in the transaction. However, it is important to highlight that the ultimate responsibility always rests with the supplier, as demonstrated in the next example:

When you buy something, you have selected the object being bought from various supplier offers, and when you order it and receive it you are the customer. But when you pay, you are the supplier of money to the person or shop from which you bought the object.

⁴ Adapted from A Leader’s Manual, Union Network International, 2002, p. 19.

If you pay the right amount quickly, your customer-"supplier" will be quite happy with the "payment service" you are providing him/her as supplier of money for the object bought and she/he will probably be very happy to sell to you again. But, if you take a long time to pay or if you don't pay at all, he/she will not be very happy and will probably not want to sell to you again. During the time he dealt with you she/he probably could have sold the object to someone else who pays better.

From another angle, if you are happy with the object bought, you will probably go back to the supplier for more when the need arises. And if your payment was according to the supplier's expectations you can be certain that you will be welcome for a new transaction, as an appreciated customer by a willing supplier.

It is important therefore, that every time the union plays the supplier's role, those in charge do their utmost to satisfy the union's stakeholders (customers). In sales training it is often said that "the customer is always right", and the supplier must provide exactly what the customer expects, otherwise the supplier loses out to someone else.

2 Analysis of the union's field⁵

The union, as a key player organisation in any country's economy is expected to respond to many stakeholders, who together with being suppliers of funds, ideas, laws, money, etc., are also customers that place demands and knock at the union's doors. Stakeholders constitute forces that create significant pressure on the union. To facilitate the vision of the situation, they can be classified in four mayor interfaces that create forces of pressure: (See Figure III-2)

- 2.1 Members', sector workers' and workers' needs, demands and expectations: members and sector workers are the union's most important customers. Active members pay a membership fee for union services and for solidarity with other workers. The services they "buy" from the union are usually translated into representation vis-à-vis social partners, job security, education on labour legislation and labour issues, opportunities such as a forum to air concerns and complaints, and satisfaction through a feeling of camaraderie on shared aims. Members' and potential members' needs, and demands and expectations are the most important forces that move the union and at the same time put pressure on it.
- 2.2 Employers' capability to negotiate: employers are usually more concerned with the company's production costs and their market constraints and will do everything possible to cut cost and increase profit, often with damage to their most important capital: human capital. Employer representatives are usually trained to negotiate with union representative in favour of the company. Worker demands on the union create pressure on the union's Leadership and the union is caught in the middle as the intermediary negotiator: while the Leadership has its loyalty with the union members and workers, it must also make an effort to maintain an effective dialogue with all parties in order to obtain the best solutions for workers according to the realities of each situation.
- 2.3 Government' capability to mediate: in addition to legislating, government supposedly has a mandate to mediate between unions and employers. This mediation role varies depending on the socio-economic and political dynamics of the particular country at a given time. At national level, this situation concerns mainly the central or sector unions that relate directly with the government and the pressure forces depend very much on the political differences that may exist between the union and the government. At regional or local levels, the pressure varies according to the government administration officials' ability to facilitate or block processes and the union officials' abilities to deal with these administrations efficiently.

⁵ Adapted from A Leader's Manual, Union Network International, 2002, p. 20.

- 2.4 **Competition:** Competition within the labour market is nowadays getting tougher. During the last three decades, unions have suffered a decline in membership and are trying to enlarge their areas of influence by promoting membership in new labour sectors of the economy or achieving mergers to secure their presence and influence in weakened areas of their field of influence. Often, new organising methods do not fit exactly into the old mould. New businesses, such as insurance companies, private pension and health funds are trying to "sell" workers better services than their old traditional trade unions, putting extra pressure on union leaders.
- 2.5 **Organising capability and internal rivalry:** the greater the union's organising capability and the lower the internal rivalry, the greater the chances the union will survive and grow in size and strength. The gains in development and strength obtained through organising protect the union against external negative forces, but organising is not only creating more locals, increasing the number of members and collecting fees, it is also giving members something in return: a service, sharing information and knowledge, providing feedback, giving them a place to communicate. Internal rivalry within trade unions is frequent, and healthy when handled within the norms of democratic conflict resolution. However, when unresolved, the weaker the union structures become allowing external pressures to reduce the union's manoeuvrability necessary to function properly. This is when the ability to lead is most important, not only by leaders individually, but also by the whole Leadership as a team.

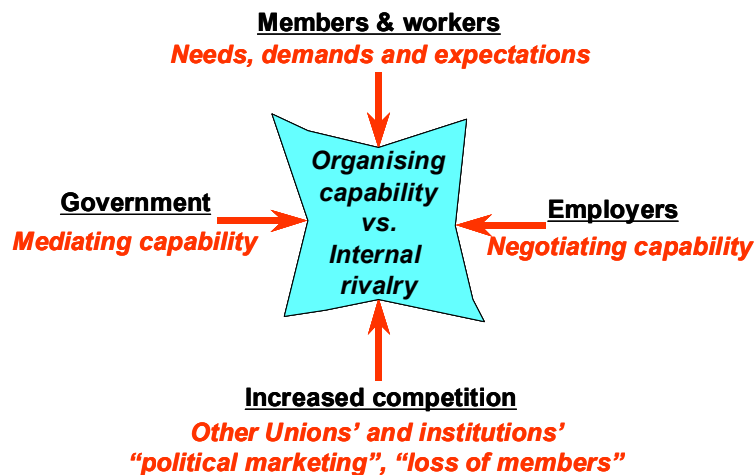


Figure III-2 – Forces of pressure

IV. MISSION STATEMENT

The union's mission statement is a brief but complete declaration drafted by the Leadership and adopted by the N.E.C. of the purpose of the union as established in its Constitution, but not necessarily using exactly the same vocabulary. Typically, a mission statement describes what the union does, who it serves, and what makes it unique in relation to its history and today's member needs in relation to the current labour market.

In order to draw up an effective mission statement, the leadership should focus on the union's core values and core purpose, its own visionary goals, outlining feasible institutional strategies to attain such goals and ending it with a motivating conclusion that incites members and potential members to join in communal action.

1 Reacting to the union's field⁶ analysis

The union's mission is explicitly or implicitly stated in its Constitution, often as a set of fundamental principles and objectives. Despite semantic differences, most union constitutions articulate the same or very similar missions, in one short sentence: *To defend workers' rights vis-à-vis employer interests.*

However, the scope of the trade union mission involves many features: on one hand it must be consistent with the fundamentals of the union and on the other with the needs and opportunities identified by the field analysis. In other words, it is a response to today's situation within the context of the union's constitution and therefore must provide coherent and feasible directive lines of action to:

- 1.1 Satisfy members' and workers' needs, demands and expectations: workers not only want unions to speak for them to employers and government, but also want to be provided with services and benefits in return for their fees, for union work and for the risks they are called upon to take in the name of the union. Just being a member, in some countries, is already a risk. Labour legislation and industrial relations education are no longer sufficient since the demands of globalisation have changed the essence of many jobs. Workers need training to be recycled into new jobs and training is not always offered by employers and is usually beyond the workers' own pocket. Workers also need to be involved with the union, to have a feeling of belonging that in turn creates motivation and commitment. This sort of participatory environment allows successful unions to be closer to workers and to better respond to their needs.
- 1.2 Achieve successful negotiations with employers: the corner-stone to fulfilling the union's mission. But in a trading situation – both negotiating parties expect to get equivalent gains. To achieve success in negotiations, there is no better way than to go to the negotiations with a "win/win" approach. The result expected in such a negotiation is that both parties will obtain satisfaction commensurate with their expectations. In other words, at the end there should be no losers and relations should remain amicable, a condition that will facilitate new negotiations to starting on the right foot.
- 1.3 Effectively coordinate actions with the government: government mediation should be handled in the same manner as discussed above. Having the government on the union's side is extremely effective for labour relations with employers. On the other hand, provoking the government to the point of making an enemy of it may cause irreparable damage to the union, at least for the time that particular government is in power. In some cases there is no other way and it is then when the Leadership needs to ensure the support of international trade union solidarity and when the union's affiliation to a global union federation becomes important.

⁶ Adapted from *A Leader's Manual*, Union Network International, 2002, p. 21,22.

- 1.4 Beat the competition: today's society is a society of competition. Every one wants supporters and there are practically no limits to what individuals and organisations can do, in spite of legislation, to win the support of others, be they your existing members or the rest of the citizens of your country. Whoever uses the best marketing techniques gains the new customers (or stakeholder; at least for the time the marketing effect lasts). The union's Leadership today needs to understand the mechanisms of mass marketing to beat competition and at the same time learn to apply long-lasting, sustainable solutions to keep their members satisfied, motivated and active for longer.
- 1.5 Transform rivalry into synergy: the Leadership must turn old internal rivalry into synergy. That is, bring all parties together in collaboration. Leaders should realise that every one is either a customer or a supplier or both even within the union, and that there are long chains of customers and suppliers in everyday activities.

The Leadership must therefore promote the "good supplier" philosophy to make of everyone a happy and committed member and partner. Applying the same philosophy with external beneficiaries and interested parties, makes the constructive field forces flow in both directions. This puts the union in a true partnership situation where the union provides to and also receives from, all stakeholders. Only in this way can the union grow roots with all parties and establish a unique condition for it to flourish into a strong and long-lasting tree. (See Figure IV-1.5)

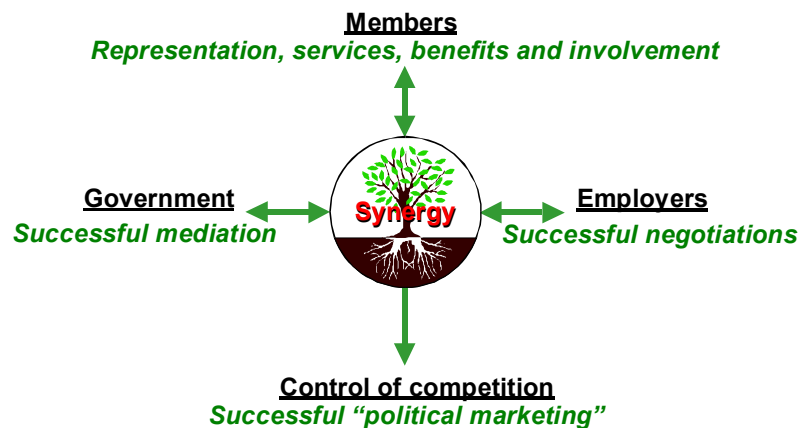


Figure IV-1.5 – Results of adopting a “good-supplier” strategy