

## Corporate Partnership

**To manage an organization in such a manner as to maximize achievement of the desired goals requires much more than merely measuring effectiveness and productivity. Long-range planning, market analysis, product design, production planning, effective personal leadership, personnel relations, training, cost accounting, facilities management, and management by objectives, to mention only a few of the other technologies, are also required.**

**Dr. Marvin Mundel**

➤ **See Smart Partnership Presentation**

“The ILO Caribbean Office has developed the Programme for the Promotion of Management-Labour Co-operation (PROMALCO) with a view to initiating a change process that would overcome the legacy of adversarial industrial relations in the Caribbean and create conditions for cooperation, trust and partnership in the interest of safeguarding the competitiveness of Caribbean enterprises and creating opportunities for employment and decent work”.

Benefits to enterprise – unlocking the potential of enterprises for innovation and global competition through workplace partnerships, respect for fundamental workers rights, building of industrial democracy and the optimal use of its human resources.

Benefits to workers – co-operative, human resource-oriented workplace strategies will contribute to the objectives of decent work, workers dignity and human resources development. Workers’ abilities will be better focused on creative processes of workers’ enhancement.

Benefits to wider society – an enhanced, productive and internationally competitive work environment will contribute to the improved welfare of the Region.

Job-ability fit is crucial to ensure that the appropriate person is placed within the particular employment area, which allows he/she to be as productive as possible whilst meshing well with the others players within the office environment. Such appropriate employees will of course have to be provided with opportunities for further professional development and rewarded for their performance.

Consultation between the National Productivity Council and civil servants has unearthed several hindrances to productivity maximisation. Such hindrances are 1) lack of participation in decision-making; 2) limited vertical communication; 3) lack of motivation due to routine work; 4) lack of clearly defined goals; 5) poor recognition for improved performance by employees; 6) inadequate skills and 7) ineffective use of time. It should in no way be assumed that such problems do not also diminish the productivity

of the private sector. Several possible mechanisms for alleviating the seven aforementioned productivity-inhibiting factors were highlighted by Ms Gail Atkins<sup>1</sup>.

Lack of participation in decision-making is remedied via the tapping of the ability of employees to identify and solve the problems that affect their work and working environment. Such a situation leads to a more committed and involved workforce; improved communication between management and subordinates and that facilitation of an environment in which the best ideas and solutions are produced. However, delegation of authority should never be interpreted as the relinquishment of responsibility (accountability). Management commitment must be secured if success is to be attained.

The absence of clearly defined goals renders employees unaware of what they should strive to attain and thus often leads to sub optimal employee performance. Management By Objectives has been described (Atkins, 1995) as "...a strategy for increasing organisational productivity by managing the performance of the organisation and its employees within an framework of planned goals, objectives and standards". Inadequate skills can provoke wastage of time and money; excessive error; poor performance; inefficiency and inadequate effectiveness. Time represents a very scarce commodity, which when harnessed correctly, significantly contributes to productivity improvement. Time management allows one to complete important tasks in a timely manner, which impresses one's superiors.

Monks states, "A Benchmark is a comparative standard. Companies using competitive benchmarking typically select an organization or some operational characteristic of that organization that they feel is the best in their field. Then they use the standard as the goal for improving their own activities. Benchmarking can apply to strategies, processes, and procedures, as well as goods/services".

The productivity-improvement initiatives fostered by cooperation between employers and employees should be facilitated by the characteristics possessed by "the effective organisation"; these being 1) a clear vision, 2) sensitivity to the environment, 3) a flexible structure and 4) ability to leverage change.<sup>2</sup>

The *Social Partnership* amongst the Barbadian Public Sector, Private Sector and Trade Union movement, which has manifested itself within three tripartite agreements<sup>3</sup> (Prices and Incomes Protocols I, II and III), represents an attempt to foster a strategic alliance that promotes employee productivity, employment stability, good labour conditions (which engender good labour-management relations) and enterprise viability. Within this tripartite arrangement, the Trade Unions and Management interact at the enterprise level whilst the Government creates a facilitative environment via legislative, fiscal, monetary, trade and other policies.

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<sup>1</sup> Former Economist I of the Barbados National Productivity Council

<sup>2</sup> Proposed by Management Consultant - Dr. Aubrey Armstrong, at a presentation on the topic of "Public Sector Verses Private Sector Management: Should There Be A Difference?" on the 25<sup>th</sup> April, 2001.

<sup>3</sup> The first was signed on August 24, 1993.

It is argued (Morris, 2001) “ ‘The Smart Partnership Approach<sup>4</sup> ... leads to the building of social capital in the workplace, and we are convinced that this can add to productivity and competitiveness ...too few in our society, at this time, are aware of the need for quick, thorough and effective change in the way how we practice our industrial relations ...The preparation of a new protocol in 2001 should have the Smart Partnership as a central policy position, and we must take every effort to institutionalize the high road, value added approach to labour-management relations.”

Charmaine Napoleon<sup>5</sup> suggests “Smart partnerships, like any other long-term relationship requires the commitment of the partners until this partnership comes to an end”. This is quite poignant in light of the fact that Senor Leroy Trotman (Head of the Congress of Trade Unions and Staff Associations of Barbados and General Secretary of the Barbados Workers’ Union) perceives<sup>6</sup> that the other Social Partners appear to be waning in interest, now that economic times have improved.

It is believed (Morris, 2001) that “Many workers are motivated by workplaces which provide opportunities for self-development, recognition and self-actualisation. Increasingly, Trade Unions are tending to emphasize the ‘human relations’ aspect of industrial relations, and of Trade Union activity”. Such human relations issues include components such as training/education, counseling, mentorship, grievance handling, reward systems and wellness programmes; which are deemed by the literature to be contributors to improvements within labour productivity and competitiveness. Mr. Morris<sup>7</sup> perceives that the trade union movement has often been negatively portrayed (by the press) as solely focusing on ‘market relations’ i.e. collective bargaining, work rules, wages/salary schedules and performance related pay.

Collective bargaining represents the *distributive (limited-pie) negotiation process*, within which the negotiating parties adopt an antagonistic posture in order to seek to get the upper hand on their ‘adversaries’; whilst the players within the *integrative (win-win) negotiation process*, seek to creatively develop a mutually beneficial outcome to their particular concerns.<sup>8</sup> Mr. Morris believes that integrative bargaining (which he says emphasizes on “sharing added value against established benchmarks and targets” has been inhibited by a culture of mistrust, class separateness and stereotyping. Mr. Morris also posits “Trade Unions can contribute to workplace stability by opting for value added approaches to collective bargaining. This presumes that managers are willing to share information, plan cooperatively with Unions and employ the manpower that is a basic requirement of a productivity driven institution”.

It is proposed (Murrel, 1994) that “It is crucial to secure workers’ participation in productivity improvement... since workers both contribute to and should benefit from

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<sup>4</sup> Integrative (win-win) Negotiation Approach.

<sup>5</sup> Head of the Training Unit at the Barbados National Productivity Council

<sup>6</sup> Stated at Caribbean 2001 Dialogue on “Fostering Productive Alliances Towards Competitiveness and Sustainable Development in Small States” on 8<sup>th</sup> May, 2001.

<sup>7</sup> Deputy General Secretary of the Barbados Workers’ Union

<sup>8</sup> Fisher, Ury and Patton highlight such within their text “Getting to Yes: Negotiating Agreement Without Giving In

productivity changes... Trade unions recognise that presently the principal factor for economic development is productivity improvement accompanied by technological innovation. At the same time governments and employers have to recognise that the modern productivity movement must be based on job security, human rights and consideration for people. Thus the productivity movement should depend on the increased strength of trade unions, the mutual understanding of all parties concerned and the democratisation of the economic management and political institutions of any given country... Workers must understand the need for teamwork, positive attitudes and creativity, a productivity consciousness and culture. Workers should be able to understand simple productivity statistics and ratios”.

Employee share/stock options can be a mechanism via which employees can receive a greater stake within the functioning and success of the enterprises in which they work. Such a situation can act as a performance motivator, as the employees can tangibly see the importance of their productive efforts.

The more widespread use of information technology has facilitated and in a sense necessitated that companies assess and retool their operations with the aim of making them more efficient, effective, amenable to needs of their internal/external customers, innovative and competitive.

It is asserted, (Davenport, 1993) “New processes invariably involve new skills. Because process innovation often involves both greater worker empowerment and a broader set of work tasks, the requisite new skills may involve both greater depth of job knowledge and greater breadth of job expertise... A variety of training programs must be undertaken if the requisite skills are to be available when they are needed. These include specific process training, anticipatory training, and on-the-job training”. Mr. Davenport further purports, “An overall organisational culture that emphasizes skill enhancement and job rotation has also been cited as a key factor in the flexibility and innovativeness inherent in Japanese manufacturing processes”.

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