

University of Warwick institutional repository: <http://go.warwick.ac.uk/wrap>

A Thesis Submitted for the Degree of PhD at the University of Warwick

<http://go.warwick.ac.uk/wrap/3685>

This thesis is made available online and is protected by original copyright.

Please scroll down to view the document itself.

Please refer to the repository record for this item for information to help you to cite it. Our policy information is available from the repository home page.

BARGAINING STRUCTURE
AND
MANAGEMENT CONTROL OF INDUSTRIAL RELATIONS

Submitted for the Degree of
Ph.D. in Industrial Relations to the
University of Warwick by Nicholas Kinnie
of the SSRC Industrial Relations
Research Unit, University of Warwick

August 1980

To my parents

CONTENTS

	Page
List of Tables	v
List of Abbreviations	v
Acknowledgements	vi
Declaration	vi
Abstract	vii

PART I : THE BACKGROUND TO THE STUDY

Chapter 1	Introduction	1
1.	Previous Research	2
2.	The Focus of the Study	4
3.	Plan	5
Chapter 2	Research Method and Introduction to the Cases	7
Research Method		7
1.	Case Studies	7
2.	Problems and criticisms	9
3.	Chronology of the research	11
4.	Criterion for choosing the cases	12
5.	Collection of Data	14
6.	Fieldwork	15
The Case Studies		19
1.	Tubes	19
2.	GEC	23
3.	Rolls	26
4.	Ford	29
Chapter 3	Bargaining Structure and its Determinants	33
A.	Previous Research	35
1.	Collective Bargaining Structure	35
2.	Situational Determinants	42
B.	The Cases	54
1.	Collective Bargaining Structure	54
2.	Situational Determinants	61
C.	Conclusions	75
1.	Collective Bargaining Structure	75
2.	Situational Determinants	83

PART II : THE CASE STUDIES

Introduction	101
Chapter 4 Tubes	103
1. Collective Bargaining in Practice	103
2. Management Control of Industrial Relations	116
3. Conclusion	128

	Page
Chapter 5 GEC	132
1. Collective Bargaining in Practice	133
2. Management Control of Industrial Relations	140
3. Conclusion	156
Chapter 6 Rolls	161
1. Collective Bargaining in Practice	162
2. Management Control of Industrial Relations	171
3. Conclusion	185
Chapter 7 Ford	189
1. Collective Bargaining in Practice	190
2. Management Control of Industrial Relations	207
3. Conclusion	216
 <u>PART III : ANALYSIS</u>	
Introduction	219
Chapter 8 Styles of Managing Industrial Relations	222
Introduction	222
A. Policy	225
1. Corporate Policy	225
2. Influences on Non-IR Decisions	229
3. Industrial Relations Policy	231
4. Policy on the Shop Floor	234
B. Achievement	236
1. Collective Bargaining Control Systems	237
2. Influences on Bargaining Structure	238
3. Industrial Relations Controls	240
4. Personnel Control Systems	245
C. Application	250
1. Line and Industrial Relations Management	250
2. Plant and Central Responsibility	253
Chapter 9 Effectiveness of Styles of Managing Industrial Relations	
Introduction	257
A. Ideal Types of Styles of Managing Industrial Relations	260
1. Parent Autocracy	260
2. Group Co-ordination	262
3. Divisional Co-ordination	263
4. Plant Autonomy	265
B. Comparison of Styles of Managing Industrial Relations	267
1. Legitimacy	270
2. High Degree of Effective Control	281
3. Low Degree of Effective Control	284
4. Conclusion	287
Chapter 10 Implications	
Introduction	290
1. Management	292
2. Trade Unions	299
3. Reform of Industrial Relations	304
Bibliography	311

LIST OF TABLES

		Page
1	Background Characteristics	32
2	Dimensions of Bargaining Structure	97
3	Substantive and Procedural Issues	98
4	Collective Bargaining Characteristics	99
5	Situational Determinants	100
6	Managerial Control Systems	288
7	Comparison of Styles of Managing Industrial Relations	289

LIST OF ABBREVIATIONS

Tube Investments Ltd	Tubes
TI Accles and Pollock	AP
TI Weldless	WL
General Electric Company Ltd	GEC
GEC Telecommunications	Telecoms/TC
GEC Machines	Machines/MC
Rolls-Royce Ltd	Rolls
Ford Motor Company Ltd	Ford

ACKNOWLEDGEMENTS

A study such as this is primarily indebted to the many people who agreed to co-operate with the research. I should like to thank all those who gave their time and attention during the fieldwork, without them the study would not have been possible.

This study has benefited greatly from the help and guidance of my supervisor Keith Sisson. Mike Jones, William Brown, David Winchester and Hugh Clegg also made many useful contributions. Any remaining errors and inconsistencies are my responsibility alone. Gillian Sprigg produced the typescript quickly and accurately.

Finally, I owe thanks to my wife Elaine for keeping me going through everything.

DECLARATION

Some of the material in Chapter Four was used as the basis for an earlier study: 'Plant Autonomy or Parent Autocracy? Case Studies of Multi-Plant Management Decision Making'. Dissertation presented for M.A. in Industrial Relations, University of Warwick, 1977.

ABSTRACT

Bargaining structure has traditionally been at the centre of Industrial Relations research, and increasingly attention is being given to the influences upon it. This study examines management's attempts to regulate union behaviour in four organisations having different bargaining structures. These are treated as case studies and using qualitative data they are compared to study three relationships: between management structure and bargaining structure; between bargaining structure and union behaviour; and between situational determinants and bargaining structure.

The background to the thesis is outlined in Part I. This introduces the study, describes the research method, and then applies some of the research data available to previous hypotheses. A number of tentative proposals are put forward regarding bargaining structure and the influences upon it which are pursued in Part III.

The four case studies are systematically analysed in the following four chapters. For each collective bargaining in practice is outlined followed by an analysis of managerial attempts to regulate this.

Part III draws on this raw data and analyses managerial involvement in Industrial Relations in two stages. Initially a framework for the study of managerial involvement is developed which puts bargaining structure in its context. Secondly using an established criterion the effectiveness of management control over union activity is examined. Finally the implications of the analysis for management, trade unions, and the reform of Industrial Relations are pursued.

A number of proposals are put forward in this thesis. First the level of bargaining cannot be studied in isolation, but must be placed in the context of the other dimensions of bargaining structure. Second, bargaining structure is influenced by constraints both internal and external to the organisation, yet management appear to have a good deal of discretion in choosing a particular structure. Third, bargaining structure must be placed within the context of the control systems used by management, many of which may not immediately be concerned with Industrial Relations. Finally, to understand managerial control over union activity we must look not only at the control systems but also the legitimacy of managerial authority. Put together these proposals contribute to our understanding of likely future changes in bargaining structure, and the shape possible reforms might take.

PART I THE BACKGROUND TO THE STUDY

CHAPTER ONE : INTRODUCTION

The post war development of bargaining in the workplace has attracted considerable public and academic attention to Industrial Relations in general and the structure of bargaining in particular. At the centre of this controversy have been the trade unions and their workplace representatives. It is ironic that despite being the other party to collective bargaining relatively little is known about the part played by management.

This is not to suggest that the role of management in Industrial Relations has been ignored, for the significance of management's involvement has long been stressed. However the importance attributed to the part played by management has not been matched by research actually undertaken.

This lack of research is surprising when it is recalled that the Donovan Report ¹ placed the burden of reform of bargaining structure on management and Boards of Directors. This lacuna is all the more paradoxical when recent research is considered.² For it is suggested that with the formalisation of plant bargaining management may be playing an increasingly active role in Industrial Relations.

The neglect of management has been in terms of research conducted, rather than the significance attached to their role. This

1 Royal Commission on Trades Unions and Employers' Associations hence referred to as the Donovan Report.

2 Brown and Terry (1978)

has led one influential observer to state that 'The truth of the matter in the study of management in Industrial Relations is in a primitive state' (Clegg, 1979: 164).

Information which is available on management's role concentrates upon their attempts at controlling the work force through collective bargaining. There is some confusion however over the relationship between management and the bargaining structure. While some studies¹ suggest that management and bargaining structure should be closely aligned others² indicate that this need not be so.

This study therefore begins to redress this imbalance of research. In essence it investigates the relationship between bargaining structure and management control of Industrial Relations.

1 Previous Research

Although there are studies which stress the significance of management's role a relatively small amount of research has actually been carried out.³ A number of case studies have provided glimpses of the part played by management, but all too often this has been available only in piecemeal fashion.⁴

Other studies have examined management control over Industrial Relations,⁵ but as Turner notes 'This has been overwhelmingly

1 Boraston, Clegg and Rimmer (1975:197)

2 CIR (1974:29)

3 Research has been undertaken in the United States: Slichter, Healey and Livernash (1960); Chamberlain (1967); Baker and France (1954) Gouldner (1957)

4 Examples include: Batstone (1977,1978); Brown (1973); Beynon (1975); Flanders (1964); Nichols and Beynon (1977) along with work in connection with the SSRC's Management and Industrial Relations Committee. Turner et al (1977) and Purcell and Smith (1979) are possible exceptions.

5 Hawkins (1979); from an organisational behaviour perspective Child (1977); from a business policy perspective Thomas (1978).

prescriptive or didactic mainly aimed to offer instruction or advice to managers on how to deal with employees.' (1977:1)

A number of reasons have been put forward to explain this inadequacy. For different reasons commentators on both the Right and the Left have shown little interest in the subject.

Wood and Thurley (1977:1) point out that some authors believe this is because management have not been defined as a 'social problem'. While Anthony (1977:41) suggests the emphasis on unions is a consequence of the initial interest of researchers in their development, or because of what he calls 'evangelistic sympathies'.

Anthony (1977:41) notes that companies and managers themselves may play a part in this. He criticises their attitude towards research and notes that they are 'over inclined to prevent access for research and too sensitive to reports which have not entirely reflected their own judgements.'

Research into management's Industrial Relations role in multi-plant organisations has been limited.¹ This is surprising for two reasons.

First, although it is likely that there are a number of characteristics which are unique to multi-plant organisations they are commonly treated as being no different to other organisations. They have not, for example, received the specialist attention lavished on multi-national corporations.

Second, and perhaps more important multi-plant organisations account for the majority of plants in this country. The Bullock

¹ It should be stressed that this study is not concerned with all kinds of multi-plant organisation, which range from hotels to the Civil Service, but to large multi-plant groups in the Engineering Industry.

Report (1977:6) notes that most large companies 'are in fact groups of companies organised in pyramids of holding and subsidiary companies'. Evidence¹ indicates that multi-plant organisations account for 83% of employees generally, and nearly 86% in the Engineering Industry. This growth appears to be continuing. Prais (1976) suggests the median establishment owned 6 plants in 1958 and 20 in 1968. For companies making up the first quarter of UK output the figures are 33 plants in 1958 and 192 in 1968 (1976:63).

2 The Focus of the Study

Within the recent research² which has stressed the role of management in Industrial Relations the predominant view is as follows.

First, the foremost influence on union behaviour is bargaining structure, and in particular the level at which this bargaining takes place, e.g. whether at plant, group or an intermediate level.³

Second, the most important influences on bargaining structure are the structure and attitudes of management and employers' associations. Differing patterns of union behaviour are related firstly to bargaining structure and secondly to management structure.

Finally management's choice of bargaining structure is influenced by a number of determinants. Some of these are internal to the organisation such as size and technology, while others such as product market are external. Bargaining structure should be equated

1 CIR (1973:3); Marsh, Evans and Garcia (1971:82)

2 See Clegg (1976); Bain and Clegg (1975)

3 'Group' level bargaining covers all plants in an organisation, while an intermediate level may cover only a number of plants (referred to here as Division). McCarthy (1971) also recognises bargaining scope; unit, and form as possible dimensions. See Chapter Three.

with the demands of these determinants in order to achieve the 'best buy' for management.

In the light of this research four case studies of large multi-plant organisations having different bargaining structures were undertaken. Data from these cases is compared and contrasted in order to investigate the following proposed relationships:

- (1) Between bargaining structure and union behaviour
- (2) Between management structure and bargaining structure
- (3) Between situational determinants and bargaining structure.

The fieldwork covered some eighteen months and involved around a total of two hundred interviews with management and union representatives together with a study of agreements and other written material.¹

3 Plan

The following chapter looks at the research method used in this study. It describes in some detail the method of data collection and some of the problems encountered. Also included are thumbnail sketches of the cases.

Chapter Three has two aims. First to review the relevant research in detail in the context of this study. Second to systematically apply the research data available to the concepts and hypotheses put forward. The findings are briefly summarised towards the end of the chapter for future reference.

1 See Chapter Two for further details

Chapters Four to Seven constitute Part II and describe and analyse each of the four case studies in turn. Chapter Four provides a bench mark for comparison with observations in other cases. It also suggests a number of tentative concepts and hypotheses which are reviewed in Part III in the light of the following cases.

Each case is examined systematically in a uniform manner. First the bargaining in practice is described. Second the control systems used by management to regulate this bargaining are analysed.

Part III gathers together the disparate case studies and provides a concise analysis which is in two stages.

Chapter Eight provides a framework for analysing the process of management control. It places the bargaining structure in the context of the other control systems operated by management, as well as some of the influences upon management.

Chapter Nine considers the impact of the control process on union behaviour. It looks at the varying effectiveness of management control over one aspect of union activity. In turn it then analyses the factors which influence this effectiveness.

Chapter Ten is devoted to the implications of the research. The possible consequences for management trade unions and the reform of Industrial Relations are examined, together with some future areas of study in the field.

CHAPTER TWO : RESEARCH METHOD AND INTRODUCTION TO THE CASES

RESEARCH METHOD

Introduction

This chapter describes in detail the method of research used in this study. In the following pages the rationale for using case studies, the criterion used to select the cases, and the means of gathering the data are outlined.

Towards the end of the chapter the cases themselves are introduced. These 'thumb-nail sketches' are designed to provide some much-needed background information.

1 Case Studies

The research for this thesis is based upon data collected from four large multi-plant groups. These are treated as case studies. The information available is compared in order to highlight the differences between the cases.

The case study methodology has long been established as an analytical tool in the social sciences. In this work it allows organisations to be studied in great depth. From these observations inferences can be made about organisations having similar characteristics. Case studies do not represent reality as a whole, but rather may provide significant illustrative examples.

Case studies are being increasingly used in Industrial Relations.¹

¹ Eg. Batstone et al (1977,1978); Brown (1973); Sisson (1975); Borast et al (1975). See Batstone (ibid) for a discussion of the merits of

Although Bain and Clegg (1975:108) have emphasised the need for the development of theory they note that 'There are still areas about which so little is known that case studies and fact finding must precede analysis.'

As noted previously there have been only a small number of cases concerned with role of management in Industrial Relations. Certainly there have been very few studies which have examined management in Industrial Relations from a comparative perspective.¹

Below the benefits and drawbacks of the case study are discussed.

First, the case study allows a great deal of information to be collected about the internal characteristics of each multi-plant group. It was the lack of this kind of information which Deaton and Beaumont (1979) had noted in their study of the determinants of bargaining structure.

They attributed their lack of success in explaining the company-plant distinction to the nature of their survey. They suggest that 'because it was a plant-based survey, the amount and quality of the information about the company was often unsatisfactory for our purposes' (1979:20). Further the authors noted that 'some improvement in the ability to explain the plant level/company level distinction would seem possible if one had direct information about the company such as the number and relative size of plants, the degree of product diversification and occupational homogeneity' (1979:21). The case studies in this thesis contain just such data. Information is available concerning characteristics relating to size, technology, products, markets, economic performance, geographical concentration and union activity.

1 Except Child (1977) Dalton (1954) Slichter Healy and Livernash (1960

Detailed in-depth case studies provide information that may be impossible or difficult to get from second-hand sources.

Second, case studies allow qualitative analysis to be undertaken. Many of the factors important in influencing bargaining structure may not be amenable to quantitative analysis. Deaton and Beaumont (1979:4) have noted the importance of such factors in limiting the success of their multi-variate analysis. 'The undoubted relevance of such intangible factors (eg 'style of management') must again necessarily limit the overall explanatory power that one might expect to obtain from a study such as this and points to the need for our work to be complemented by the carrying out of a series of detailed qualitative case studies'. A case study can refer in detail to history and traditions, management policies and philosophies, and attitudes and beliefs for example.

In general the case study allows one to gauge the atmosphere and 'feel' of an organisation, characteristics immune from quantitative analysis, yet all the more important because of their elusive qualities.

2 Some problems and criticisms

It would be misleading to suggest that the case study has no drawbacks. Critics have tended to concentrate on two problems in particular. First the limited coverage of a small number of cases, and second the subjective and impressionistic nature of the material collected.

In a previous section the extreme diversity of multi-plant organisations was noted. Groups may range in size from those having two or three plants to those having over one hundred. Similarly a great range of activities from service organisations to manufacturing concerns is possible. Two points can be made here.

First it is impossible for any single study to cover the great diversity of possible organisations. Some selection is inevitable. No claim for comprehensive coverage is made by this study. The cases investigated represent only one type of multi-plant group: the very large engineering organisation. Some of the concepts and generalisations contained in this study may be applicable elsewhere, but by no means all. The limited scope of this study merely points to the pressing need for more research in this area.

Second if it is accepted that some kind of selection is necessary this can be turned into an advantage. If only a small number of cases can be studied these should at least be comparable. For this reason all the cases are drawn from the Engineering Industry. This means that a number of background factors can be kept constant. For example the cases often have similar technologies and trade unions. This allows comparisons to be made more easily.

Therefore this study makes comparability a virtue when it is accepted that some form of selection is a necessity.

A second criticism concerns the subjective and impressionistic nature of the evidence that is gathered. Comparisons are often made with supposedly objective quantitative based studies. This criticism is based upon the false assumption that any methodology can be value free.

For example quantitative studies also have a subjective element. The variables that are measured, and the method of evaluating and

interpreting their impact are likely to be value laden. This is particularly true when 'proxy' variables are used to measure variables which are themselves resistant to measurement. Similarly assigning significance to 'dummy' variables also involves the use of values. Thus no methodology can be truly objective, the question is rather to what degree it is subjective.

Values are perhaps more significant in qualitative as compared to quantitative studies. They will influence what issues are selected for study, and how these issues are analysed once selected. However case studies cannot be rejected on these grounds alone. Such analysis provides an essential complement to the quantitative studies. Certain influences and characteristics can only be investigated by means of case studies. Once qualitative studies are regarded as an integral part of social science research one can only seek to accept the importance of ones values and alert the reader's attention to their impact.

3 Chronology of the Research

Research was initially carried out in a single case study. Information was gathered from two plants and at Divisional level in Tubes. Part of this research was presented for an earlier degree,¹ and forms the basis of Chapter Four.

Having written up the results of this first case proposals were drawn up for extending the research. A number of options were available. First the initial plants in Tubes could have been returned

1 Dissertation presented for M.A. Industrial Relations, University of Warwick 1977 : 'Plant Autonomy or Parent Autocracy? Case studies of Multi-Plant Management Decision Making.'

to, or other plants in Tubes could have been investigated. Second an organisation outside the manufacturing industry would have provided a contrast with Tubes. These and a number of other options were considered in a series of working papers. During this time the previous literature was also examined.

Eventually it was decided to replicate the original Tubes case in a number of other large engineering groups. The cases would therefore have a common background which would facilitate comparisons. Since only a small number of cases could be carried out it was felt that these should be comparable. The limited time available meant that it would not be possible to carry out a large number of cases in the same degree of depth as the original case.

4 Criterion for Choosing Cases

Another problem remained since some consistent criterion was needed as the basis for selecting the cases. Eventually it was decided to use the bargaining structure of each case as the common denominator. This was chosen for two reasons. Primarily because it has been at the centre of much of the previous research and allowed a number of topics to be analysed.

First the impact of bargaining structure on union behaviour in each case could be compared. Clegg (1976) has suggested that the dimensions of bargaining structure explain union behaviour.¹ This theory could be tested by investigating the impact of different bargaining structures in comparable groups on union behaviour. Could a consistent relationship between the dimensions of bargaining structure and union behaviour be identified? A series of in-depth cases might

1 See footnote p.13

provide some evidence to support or throw doubt upon the theory put forward.

Second the relationship between management structure and bargaining structure could be studied. As noted above there is some doubt over the link between these two. Some studies suggest that management and bargaining structures should be similar, while others indicate that this need not be so. A comparison between cases with different structures might yield some insights into this relationship.

Finally the influences upon management's choice of bargaining structure could be analysed. Previous research¹ had suggested that certain variables were determining influences upon bargaining structure. A comparative study could test for the existence of any consistent relationship between bargaining structure and the identified variables.

Bargaining structure has one further benefit. It is one of the few internal characteristics of a group's Industrial Relations which is visible to the 'outsider'. In other words cases could be selected deliberately, in the knowledge that they had a certain bargaining structure. The cases to be studied could be consciously chosen because they were characterised by different dimensions of bargaining structure.

All four cases were engaged in the Engineering Industry. This had a number of benefits for the study, which allowed comparisons to be undertaken. First there is a limited range of technologies

¹ Research concerning both of these hypotheses has been briefly noted in Chapter One, and is examined in much greater detail in the following chapter.

which enabled this variable to be held almost constant. Second the same restricted number of unions were faced by management in all the cases. Third all the cases had a long history of union representation. It was possible that their Industrial Relations policies may have been slightly more sophisticated than was the norm. Finally the wide range of organisations within this category meant that many of the major types of multi-plant organisation were represented.

5 Collection of Data

Within each case information was collected from a variety of sources. Data was gathered from the plant level and from either Division or Group level depending upon the organisation structure.

Two plants were studied in each of the four groups making a total of eight in all. This was the only possible course of action bearing in mind the size of the group involved. Some of the cases had over one hundred separate plants and it was clearly impracticable to study even a proportion of these in any depth. No attempt was made to collect information regarding all the plants in one group. The purpose of the plant studies was to provide examples of Industrial Relations activity within the group. In order to achieve the greatest possible diversity the plants chosen often represented extremes within a single group. For example one large and one small plant were often studied, or plants that were in different parts of the country.

The obvious criticism to make here is that these plants may not have been typical of the case as a whole. Two plants in a group including over one hundred could provide totally misleading information.

when compared with the 'average' plant for the group. Two points need to be made in this connection.

First it must be recalled that it is the group as a whole rather than the plants which forms the case. Information concerning the group was drawn from a variety of sources, not just the plants. The plant based material was used for illustrative purposes. Evidence from the plants was used to support observations of the more general characteristics of the group as a whole. The plants therefore demonstrate some of the main traits of each group, rather than reveal all the possible features.

Second the enlarged project was designed to replicate the original Tubes study. It was felt that looking at two plants in each case would again provide sufficient empirical evidence for each group. Also it was thought that eight plants was the maximum number that could be covered in sufficient depth in the time available.

6 Fieldwork

Each of the plants studied involved a period of intensive fieldwork spread over several weeks. In total the empirical research covered eighteen months.

The method of collecting data evolved during the research itself. When the first two plants were studied the interviews were only very loosely structured. The only guides I used were an article by Thomson and Hunter (1975) and the Report by the CIR (1974). Initially information was sought on almost every aspect of the plant and its Industrial Relations. Each plant was researched with few preconceptions as to what might be important.

Sources included interviews with management and union representatives

agreements, minutes of meetings, and published material.

After the Tubes case was completed certain concepts and hypotheses emerged. During the remaining plant studies these were tested, along with the original hypotheses from the previous research. Therefore as the cases were completed ideas became more clearly identified. The result was that the interviews became increasingly structured. By the time the final case was carried out a number of specific questions were relevant. However at no time was a questionnaire of any kind used.

This may be criticised by some people. Without a questionnaire the material may not be strictly comparable, because the same questions were not always asked. A number of points are relevant here.

First the research method used allowed the issues that seemed important in each case to emerge. For most of the plants there was little selection of data. Thus those issues which were most significant to each plant were studied.

Second it must be remembered that the plants were used only for illustrative purposes. There was no attempt to produce a comprehensive picture or a statistically valid sample. Hence the aim was to discover what was important to each case, rather than to achieve strict uniformity of data.

Finally a number of the plants were returned to. In particular the Tubes plants were studied after a gap of just over a year. This allowed new questions to be asked, and enabled changes in the intervening period to be discussed.

Approximately fifty interviews were carried out with management and union representatives in each case. These were both inside and outside the plants.

Interviews with the management included: Managing Directors, Works Directors, Production Managers, Supervisors and Foremen. Also a number of specialist Personnel and Industrial Relations managers were interviewed including Personnel Directors, Personnel and Industrial Relations Managers and Personnel Officers. These interviews were usually at least an hour and sometimes much longer.

Managers outside the plant were also interviewed. These were employed either at division or group level depending upon the organisation structure. In the main these managers were concerned specifically with either Personnel or Industrial Relations. On a number of occasions representatives from the Local Engineering Employers' Association were interviewed to gather further background information.

In general few problems of access were encountered. In fact in some cases management were willing for me to visit any plant in their group. Shortage of time frustratingly prevented advantage being taken of these opportunities.

Within the plant a wide range of union representatives was interviewed. In the plants all the Senior Representatives from manual and staff unions were interviewed. Additionally shop stewards and staff representatives were also interviewed. Again these interviews lasted a minimum of an hour, and were frequently much longer.

Outside the plant full time officers of manual and staff unions were interviewed where appropriate. In general these interviews provided much useful background information.

Additionally information was gathered from a number of other sources. These included internal management memoranda and reports,

minutes of meetings, management handbooks, and a close study of all relevant agreements. Not all of these were available in all the plants studied. Therefore the quality of the data varied from one plant to the next.

Material from outside the plant came in a number of forms. In all the cases management at group or division level provided a considerable amount of written material. This was usually company prepared data referring to management structure and company history.

Published material was also available in a variety of forms. Some of the cases had well documented histories, while others had a certain amount of current information in published form. Finally newspaper reports of the groups were closely studied. These were particularly useful for following through a particular issue or event. For example the development of a strike could often be followed through either local or national newspapers. Such information was very useful for seeing Industrial Relations in practice in the cases.

In the following section the four case studies are briefly introduced. These 'thumb-nail' sketches are designed only to provide background information. A table summarising the main points is contained at the end of this chapter.

The Case Studies1 TUBE INVESTMENTS ('TUBES')

Tubes is a large privately owned engineering group. It is placed in the top 50 of the 'Times 1,000' and had total sales of almost £800m in 1977

It is an old established group founded around the time of the First World War. Since then it has grown both by internal expansion and by taking over smaller plants.

Tubes manufactures a very wide range of products. These include Domestic Appliances; Cycles; Steel Tubes; and Sporting Goods. Some well-known brand names are included amongst these products.

The group includes approximately 130 separate plants scattered throughout the country on over 150 sites. (One plant may have a number of geographically separate sites). Total employment in the United Kingdom is around 51,500. The group also has an overseas division which boosts this figure to 64,700.

Most of the UK plants are small, and are scattered across the country. Figures from the company suggest that half the sites have less than 250 workers, and a further quarter have between 250 and 500. The remainder have less than 1,500, except for five which have less than 2,500 and one having 6,500, although some of these sites have separate management and workforces.

There are a number of centralised supporting services including research and development, personnel and computer facilities employing around 1,000 people. The stated policy of the group has been to 'encourage maximum delegation of operation through

Divisions to individual and company managements and aims at close identification of employees interests with their places of work.¹ The group has been engaged in an advertising campaign recently. This stresses the combined advantages of a large organisation made up from small plants. The slogan 'We made it big by staying small' is employed for public relations purposes.

The group is organised into a number of Divisions. Each of these has a formal Board of Directors who co-ordinate the activities of their plants. Often there is a homogeneity of product within the divisions with interdependent plants.

The position for 1977 is given below:

DIVISION	NO.OF PLANTS	EMPLOYMENT	SALES	CAPITAL	RET.ON INVEST
			£ m	£ m	%
STEEL TUBE	28	16,200	262	108	16.2
CYCLE	4	11,000	117	41	12.1
DOMESTIC APPLIANCE	24	11,600	134	48	9.3
ENGINEERING	11	5,700	71	30	20.0
MACHINE	18	4,700	52	26	7.7
INDUSTRIAL ELECTRIC	11	5,000	52	22	22.5
STEEL	2	2,900			
OVERSEAS			101	51	11.1

Research was carried out within the Steel Tube Division (STD). Two plants within this Division - Accles and Pollock (AP) and TI Weldless(WL) were examined in detail.

1. Company Annual Report 1977

Steel Tube Division is by far the largest Division in Tubes. In most years it has the highest rate of return but has recently had poor results.

STEEL TUBE DIVISION

Sub-groups	No of plants
A - Primary Seamless Tube	4
B - Welded Tube	4
C - Secondary Tube	6
D - Vehicle Exhausts	5
E - Stockholding	6
F - Services	4

Weldless is part of sub-group A and produces basic steel tubes which are either used in other Tubes plants or are sold elsewhere.

Accles and Pollock belongs to sub-group C. It produces both finished and semi-finished goods.

Weldless employs around 1,400 people on one main site. It is an old established firm and has close associations with the local town. Located in the 'Black Country' it appears physically as a typical engineering plant.

Around 40% of its steel tube output goes to other Tubes plants - some of this going to Accles and Pollock. There are two separate factories on site having quite different technologies. One is an older process requiring a high labour content and is relatively inefficient. The second is a much newer 'mill' (as it is referred to) and virtually produces steel tube by means of mass production. This new mill has required considerable investment supplied by the parent company.

Collective agreements are negotiated separately between all the unions. However the manual agreements are virtually identical. In addition to the basic wage all employees receive a supplement based upon the output of the plant as a whole. This bonus system has been the cause of much conflict in Weldless with the manual unions taking industrial action on a number of occasions.

Accles and Pollock employs around 2,000 people and was one of the founder members of Tubes. It is located in the West Midlands and is well known in the local town of Oldbury. In the past it was dominated by one family and was run on paternalist lines, however it is now increasingly under the control of the parent group. Although a much respected name in the industry it is undergoing a period of poor financial performance which has led to recent redundancies.

The plant has three sites. Two of these are close and another about 3-4 miles away. A wide range of goods are produced including sporting goods, plain tubes, and tube based products. The technology employed varies enormously from man-production to highly skilled labour intensive activities.

Agreements are negotiated jointly by the manual unions and separately by the white collar unions. Payment is dependent upon a basic and individually based bonus. Relations between management and unions are generally harmonious despite the recent redundancies.

2 GEC

GEC is the largest privately owned company in this country. It also has perhaps the most complex internal structure.

The present organisation was formed just over ten years ago when three close competitors in the electrical engineering industry merged. Employment at the time of the merger was around 260,000, although this figure is now approximately 156,000. Within the UK GEC has 87 subsidiary plants which between them own 164 separate factories. Overseas there are a further 46 plants employing 36,000 people. GEC also has interests in a further 22 companies at home and abroad.

Besides being one of the largest organisations in the country it is also one of the most profitable. Sales for 1978 were £2,343 millions with a pre-tax profit of £325 millions. GEC has an extremely varied product range including consumer products, telecommunications equipment, electric machines, lighting, and equipment for power stations. Many of its products are household names.

GEC probably has an organisation structure unlike that of any other company of its size. It has a very small central group staff of only a few hundred people. Below this are a series of loosely defined divisions. There are no formal divisional boards here as in Tubes. Five major divisions are however recognised for accounting purposes. Some of these divisions have plants whose business activities are closely related e.g. Power Engineering. Other divisions are highly diversified and may have separate sub-groupings.

Accounting Divisions : 1978

	Plants	Sales	Exports	Profits
Power engineering	12	393	164	26.8
Industrial	16	294	116	28.2
Electronic, Automation and Telecommunication	22	672	244	26.7
Components cables wires	25	298	93	15.5
Consumer	8	245	30	5.6
Overseas	46	608		28.2

Two plants were studied. One (Telecommunications - 'Telecoms') is in the Electronic, Automatic and Telecommunications division. The other (Machines) is in the Industrial division.¹

Telecoms is the major organisation within its division. It is a management company controlling 15 factories, 7 of which are in the Midlands. Telecoms. employs in total 17,000 people, with 9,000 of these in the Midlands factories. Research was carried out in four of the Midlands factories.

The Telecoms. organisation as a whole produces telephone equipment and associated produces of all kinds. It has four sub-divisions based upon the different stages of manufacture. Many of the plants produce components which are shipped to another Telecoms factory for final assembly. Most of the work involved is highly labour intensive and often skilled.

Telecoms. has a rather unusual market in that domestically it only has one buyer - the GPO. There are many foreign buyers. In the domestic market however, there are only two competing firms. This industry is undergoing something of a technical revolution at present.

¹ Referred to as TC and MC

New electronic based techniques are poised to replace many of the mechanical devices at present produced. These new products would require much smaller numbers of people in order to manufacture them.

Collective bargaining in Telecoms. takes place between factories that are geographically concentrated. Thus the four factories that were in Coventry bargained together. Relatively few issues are formally negotiated at this level. The payment system is a money based piecework structure. It is confused and somewhat chaotic. Relations between management and trade unions have not always been good.

Machines is at the head of the Industrial Division. It has two sites - one in Bradford and the other in Rugby. Research was carried out on the Rugby site. This is a site which Machines shares with three other GEC plants which are in different divisions.

The Rugby site produces large machines (i.e. electric motors) and some 2,500 are employed. If the total employment of all the factories on site is counted this figure rises to nearer 5,500. The technology employed varies greatly from mass-production to single unit production. Some of the largest machines take over a year to manufacture. Despite this the payment system is based on piecework, with many anomalies. Bargaining includes all the factories on the site, but has few formally negotiated elements.

The Machines company is long established on the site and well known in the town. The site itself covers some 180 acres.

3 ROLLS-ROYCE ('ROLLS')

The present day Rolls structure was formed in 1967 when two previously competing companies in the same industry merged. Rolls is now a publicly owned company following its bankruptcy in 1971. It has a long and famous tradition for engineering excellence.

Rolls is this country's only producer of aero-engines. These engines are adapted for a wide variety of uses. The market for these products is world wide, although particular importance is attached to the North American market. The aero-engine itself is highly complex with literally thousands of components going into each. Much of the technology is highly advanced, with a considerable amount relying on new research and development. One particular engine design may last for 25 years, although continuous development will mean a number of different marks of each engine will appear. The high level of expenditure on research and development can only be recouped once the engine has been in full scale production for a number of years. There is a considerable time lag before a return is seen on investment.

Rolls is organised into two divisions. The Aero Division and the Industrial and Marine Division. Research was carried out in two plants in the Aero Division.

Some figures:

	Employment	% of Employment	% of Sa
Group h.q	345		
Aero	51,878	90	85
Industrial and Marine	2,270	3.9	11
Overseas	2,600	4.5	4.3
Total	57,093		

Within the Aero Division there are eleven different production areas. These are spread throughout the country. As is evident from the table below, some of these areas are very large indeed.

Only three of these areas having the ability to design and manufacture a new engine. However all the plants are interrelated with specialised production of components.

Employment : June 1976

	Workers	Union Density %	Staff	Union Density %	Total
DERBY	11,000	80	8,515	76.5	19,515
SCOTLAND	5,509	99	3,242	90.2	8,751
BRISTOL	5,800	99	7,300	80.8	13,100
COVENTRY	4,110	100	2,445	98.5	6,555
LEAVESDEN	1,886	98	1,990	64	3,876
BARNOLDSWICK	1,786	100	560	95	2,346
SUNDERLAND	537	89	179	90	706
INDUSTRIAL AND MARINE	470	100	1,356	86	1,826

The Bargaining structure is complicated. Some of the sites bargain at plant level, while other sites negotiate together if they are closely located.

Research was carried out in Derby and Leavesden.

The Derby site is in fact a whole complex of factories. There is one main site and two others around twenty miles away. All three comprise a single bargaining unit.

Derby is the headquarters of the group as a whole and was the

original site when Rolls was founded. It produces some of the largest of the Aero engines. The technology involved varies considerably and can best be described as large batch. Large numbers of people are employed in the Research and Development field.

Bargaining is highly formalised, with many committees and detailed comprehensive agreements.

Leavesden is a much smaller site producing helicopter engines. Although the product is different many of the skills and techniques employed are much the same.

Rolls has only recently been the owner of this plant, since it was originally a Bristol Siddeley factory, the company taken over by Rolls in 1967. Again large numbers of staff are employed because of the amount of research and development. Two markets are faced: the larger comprising of defence contracts; the smaller civil airlines.

Bargaining is formalised at plant level with detailed comprehensive agreements. Management-union relations are often far from peaceful.

4 FORD

Ford is a wholly owned subsidiary of a multi-national organisation based in the United States. World wide the whole group employs some 480,000 people and either manufactures or sells its products in over one hundred countries.¹ It is estimated that some two million jobs are dependent upon the company. Formed in America in 1903 it is now the world's third largest company. There are five main groupings world wide: North American Operations; Ford of Europe; Ford Asia Pacific; The Latin American Group; Ford Mid-East and Africa.

Ford of Europe employs 135,000 people in 15 separate national companies. These companies are co-ordinated by a central organisation based in Essex. This organisation provides specialised services such as Finance, Sales and Marketing, Production Development, long term planning, Manufacturing and Personnel. There are 23 separate operating areas across Europe, many of these including a number of plants and sites.

Ford produces a wide range of motor vehicles for commercial, industrial and private use and has the second largest sales in Europe. All the European plants are integrated. They produce either components or finished goods. Ford has perhaps the highest level of vertical integration of any European producer.

There are four Divisions. Power Train is based in England and includes both plants studied (Dagenham Engine Plant and Leamington). The Body and Assembly Division is based in Germany. The third and fourth Divisions are the agricultural products and commercial vehicles, based in this country, but with plants abroad.

¹ These and a number of other details contained in this brief outline are taken from figures supplied by Ford.

The British company is the largest of all the subsidiaries of the American parent. It employs some 57,000 manual workers and 15,000 staff. It was founded in 1911 and has expanded largely through internal growth to become the dominant producer in all of its markets. In 1977 and 1978 it was the market leader for cars, commercial and agricultural vehicles.

There are 15 major centres of production scattered throughout the country. These make up a total of 23 plants. Over half of the total employees work on two of the major centres.

Nearly all these plants have mass-production technologies of some kind. They are also highly interdependent and specialised. Five plants assemble the finished product while the remaining plants produce components. Transport links between the plants are very good. The overall philosophy is to try and treat the plants as if they were all under one roof.

Employment figures:

	Manual	Staff	Total
DAGENHAM (6 plants)	24,700	3,300	28,000
HALEWOOD (3 plants)	12,600	1,400	14,000
LANGLEY	2,000	500	2,500
SOUTHAMPTON	4,100	200	4,300
BASILDON	3,500	1,200	4,700
SWANSEA	2,000	400	2,400
LEAMINGTON	1,200	200	1,400
ENFIELD	1,400	200	1,600
DUNTON	950	2,350	3,300
BELFAST	1,070	30	1,200
BASILDON	830	120	950
AVELEY	380	620	1,000
WOOLWICH	530	70	600
DAVENTRY	1,160	440	1,600
CROYDON	320	30	350
TREFOREST	270	80	350

... WOODHILL (Training)

600

Bargaining for manual and staff workers is at group level. A group wide job evaluation system is used. Payment is by measured day work with no bonuses of any kind.

The two plants studied within Ford contrasted greatly. The Dagenham Engine Plant is one of six plants on the Dagenham Estate. It employs 5,450 manual workers and 600 staff and manufactures engines. The Dagenham estate covers some 500 acres, i.e. some $9\frac{1}{4}$ million square feet. The Engine Plant was the original factory on the site. It is old, cramped, dirty and noisy. The future of the plant was in doubt because of Ford's plan to build a new Engine Plant in Wales. Although regarded as one of the less militant plants, the Engine plant nevertheless had its fair share of disputes. Often it would become involved in disputes in other plants on the Dagenham Estate.

The Leamington plant is quite different in a number of ways. It is much smaller employing 1,350 including 1,170 manual workers and 180 staff. Situated in the rural Midlands it seems a long way from the industrial wasteland of the Dagenham Estate.

The plant is a foundry producing a number of vital components. It has a floor area of 284,000 square feet, so it is very small in comparison with other Ford plants.

Working conditions are very poor. Much of the plant is very old, and in common with other foundries it is very hot and dusty within the working area. Although the work is physically demanding relations between the management and workforce are good. This may be a consequence of the small plant size and the nature of the workforce, which is largely non-militant.

TABLE 1 BACKGROUND CHARACTERISTICS

	EMPLOYMENT	PLANTS	OWNERSHIP	MANAGEMENT STRUCTURE	TECHNOLOGY	PRODUCTS	MARKETS	BARGAINING LEVEL	STRUCTURE FORM	FEDERATED	TRADE UNIONS
					MASS BATCH UNIT	CONSUMER INDUSTRIAL COMMERCIAL MILITARY	DOMESTIC OVERSEAS		FORMAL		
FORD	72,000	27	U.S. SUBSIDIARY	FOUR DIVISIONS	✓	✓✓✓ MOTOR VEHICLES	✓ ✓	GROUP	✓		27 MANUAL 3 STAFF
ROLLS	56,000	11	U.K. PUBLIC	TWO DIVISIONS	✓ ✓	✓✓✓ AERO ENGINES	✓ ✓	PLANT	✓	✓	11 MANUAL 3 STAFF
TUBES	66,000	130	U.K. PRIVATE	MULTI- DIVISIONAL	✓ ✓	✓✓✓ HEAVY AND LIGHT ENGINEERING	✓ ✓	PLANT	✓	✓	11 MANUAL 5 STAFF
CEC	181,000	164	U.K. PRIVATE	MULTI- PLANT	✓ ✓ ✓	✓✓✓✓ HEAVY AND LIGHT ENGINEERING	✓ ✓	PLANT		✓	15 MANUAL 5 STAFF

CHAPTER THREE : BARGAINING STRUCTURE AND ITS DETERMINANTS

INTRODUCTION

In this chapter data from the case studies is systematically applied to the hypotheses and concepts contained in the relevant previous literature. This allows two activities to be undertaken. First to review in detail preceding research in the subject area. Second to introduce the case studies which are examined further in later chapters.

Towards the end of this chapter conclusions will be reached regarding the usefulness of the literature for the purposes of this study.

The dual aims of analysing previous research and introducing the case studies serve to lengthen and complicate this chapter. For this reason a highly structured approach has been adopted. It has three sections.

First, the previous literature is reviewed without any criticisms being made. Rather the aim is to set up a framework of analysis which is then used throughout the chapter.

Two areas of research are studied: that concerned with Collective Bargaining structures; and that dealing with the situational determinants of that structure. Research within each of these areas is reviewed by breaking them down into a number of specific hypotheses and concepts. The ambiguities and contradictions within the existing research are highlighted.

Second, the case studies are introduced. They are described

by means of the framework of analysis constructed in the first section. That is to say bargaining structure and situational determinants of the cases are outlined using the same headings as in the first section.

At each stage judgements are made concerning the support for or conflicts with existing literature.

Finally there is an evaluation of the adequacy and influences of the existing literature for the current research. Various lacunae in previous research are identified. Also a number of useful hypotheses and concepts are highlighted which are thought to be worth pursuing. The basic aim of this section is to provide a link between the first part of this study, and the second part looking at the case studies.

A PREVIOUS RESEARCH

1 Collective Bargaining Structure

Since the publication of the Donovan Report bargaining structure has 'come to assume a central position in both academic and practitioners discussions of the performance of the British Industrial Relations systems' (Deaton and Beaumont 1979:1).

Both McCarthy (1971) and Clegg (1976) recognise a number of dimensions of bargaining structure. By far the greatest significance is attached to the level at which bargaining takes place. This study reflects this emphasis on bargaining level for two reasons. First the majority of hypotheses in previous literature are concerned with this dimension. Second the level of bargaining is the most important dimension of bargaining structure in multi-plant organisations.

(a) Bargaining Level

Bargaining level is defined by McCarthy (1971:3) as the 'points within a system at which collective bargaining is conducted.'

Within multi-plant groups a number of levels have been recognised. Thomson and Hunter (1975:25-6) identify five possible levels: completely local bargaining; budgeted plant bargaining; co-ordinated plant bargaining; two-tier bargaining; and completely central bargaining. The CIR (1974:13) recognises three broad 'structural and organisational approaches'. First where each plant is treated as a 'separate profit centre and Industrial Relations unit and management policy is to avoid company wide bargaining or any kind of parity claims between plants.' The second approach

involves plant bargaining with common job and work standards 'so that variations in pay and conditions can be mitigated'. Finally there are centralised negotiations with common agreements covering all plants and offices.

These two studies therefore recognise a range of options between two extremes, or a continuum between 'centralisation' and 'decentralisation' of bargaining structure. However they point out that it is the options lying between the extremes that should be stressed. Thomson and Hunter (1975:25) note that 'it is misleading to pose the choice in purely polar terms. There are several options lying between the extremes of complete centralisation and outright plant autonomy'. Gill (1974:26) also notes that 'in practice many multi-plant companies occupy a position around the middle of the centralisation-decentralisation spectrum and may well over a period of time move in one direction to achieve one purpose and move back again to achieve another'. Anthony notes simply that (1977:51) 'management organisation frequently tries to achieve the advantages of both centralisation and devolution'. Gill notes that (1974:25) 'whatever system is adopted, the levels of collective bargaining assume great importance.'

Although emphasis has generally been on the level of bargaining a number of other dimensions have been recognised.

(b) Bargaining Scope

McCarthy notes (1971:4) that this term is 'used to indicate the range of subjects covered by collective agreements.'

Generally speaking there has been an expansion in the scope of bargaining. Various pressures, including union persuasion have gradually increased the numbers of issues that are bargained over.

This expansion in the scope of bargaining has consequences for multi-plant groups. As the number of issues expands it is unlikely that they will all be bargained over at the same level. Different issues may be bargained over at different levels.

Thomson and Hunter note (1975:25) that 'the position on the bargaining continuum may often depend upon the issue in question.' Anthony (1977:47) notes that 'large employers may find themselves operating within several systems' of Industrial Relations at the same time.

Potentially therefore the level of bargaining can vary depending upon the issue in question. This creates problems for those who attempt to classify bargaining structure on the criterion of level of bargaining. With a variety of levels to choose from which is the most important?

Thomson and Hunter solve this problem (1975:25) by classifying the most important bargaining level as that where the 'basic financial issues comprising the predominance of earnings' are settled. They admit that their focus is somewhat narrow, and state that they are 'primarily concerned with wage agreements and structures'. They do however (1975:37) evaluate a whole series of secondary issues by means of a separate questionnaire. The authors state that their emphasis upon financial issues means that they are not concerned with the 'implementation of policies and agreements' even though they admit that 'there comes a stage when the latter becomes more important than the former through the continuous process of fractional bargaining' (1975:25).

(c) Bargaining Unit

This is defined as the 'specific group or category of workers that are covered by a particular agreement.' (McCarthy 1971:4). It is noted that units and levels are clearly linked, but that units are more concerned with the role of unions as representatives. Representatives of these units are referred to as bargaining agents.

One characteristic of bargaining structure noted by the Donovan Commission was the extensive fragmentation of bargaining units. This again has consequences for multi-plant groups. Within large organisations there may be hundreds of separate bargaining units. These units may be based upon skill differences, e.g. craft and semi-skilled, or simply the manual against staff division. It is common to have manual negotiations at one level and staff bargaining at another.

Although it is rarely stated explicitly it appears that most studies base their analysis on manual workers. This may be because not all staff engage in collective bargaining and more information is available for manual workers.

(d) Bargaining forms

This dimension distinguishes between the various forms that an agreement can take. Whether it is 'written or unwritten, formally signed or accepted by mutual understanding' (McCarthy: 1971:4).

Such a classification only tells us about the types of agreements that are negotiated. This could be broadened to include the degree of formality or informality within bargaining as a whole. A move

away from agreements would allow issues settled by custom and practice to be identified. It may be for example that formal bargaining on some issues takes place at one level, while informal bargaining takes place at another. In fact this conclusion was at the heart of Donovan's analysis of the 'two systems of Industrial Relations.'

(e) Bargaining Depth

According to Clegg (1976:8) this measures 'the involvement of local union officers and shop stewards in the administration of agreements.'

This dimension has been much neglected in research, yet it may prove very useful in the multi-plant context. For example it may give some indication of the degree of Industrial Relations activity that takes place at various levels within a group. To an extent this may be only loosely connected with the formal level of bargaining. For example formal bargaining may take place at plant level, but with a high level of shop floor involvement in interpreting and administering agreements.

(f) 'Best Buy'¹

The argument which predominates within the literature can be summarised as follows. When dealing with bargaining structure management are faced with a number of options between the extremes of centralisation and decentralisation. These are commonly defined in terms of levels of pay bargaining for manual workers.

¹ This term was developed by Lupton and Gowler (1969:7) when referring to two systems in the light of a firm's circumstances

The second stage of the argument involves recognising a range of factors which will influence the bargaining structure. These are termed 'situational determinants' and are examined in much greater detail in the following section.

Articles such as that by Thomson and Hunter attempt to present 'a more systematic way of taking into account the various factors bearing on bargaining structure in a multi-plant company' (1975:25). In other words they construct a model with which a company can undertake self analysis. This will indicate which factors bear most heavily upon their own bargaining structure.

Finally having recognised its own unique situational determinants management must consider the impact that these will have upon their bargaining structure. This 'description of relevant variables within a company as a whole' is then interpreted via a series of hypotheses concerning each variable and the optimum 'locus of bargaining' it produces (1975:27). These hypotheses are attached to the impact of each variable which suggests a particular desirable bargaining structure. These are then built up to produce an 'overall tendency'. This position can be modified by the attachment of weightings to the different variables by the parties themselves.

Thomson and Hunter articulate the general view of the literature with a novel attention to detail. Put simply they suggest that there is a bargaining structure which is 'appropriate' to the situational determinants faced by each organisation. In other words the structure of bargaining is contingent upon the environment surrounding the organisation.¹

¹ This analysis is explored in much greater detail in the following section.

Once the situational determinants have been identified and evaluated a 'best buy' position on the continuum of bargaining levels is then recognised. However Thomson and Hunter (1975:25) state 'it would be unrealistic to suppose that there is some ideal position'. But this 'does not preclude the need for consideration of the optimal locus for either party'. Having identified this optimum position management should then compare this with the bargaining structure that actually exists. They should, bearing in mind tactical and strategic considerations, attempt to move towards this identified position.

The CIR (1974:55-8) provides a checklist of advantages and disadvantages attached to various bargaining levels for both management and unions. They feel that this may enable management to decide upon the optimum structure of bargaining.

These advantages and disadvantages exist for both management and unions. It appears that each group should take account of the benefits and drawbacks of each position and settle for the best compromise available. Thomson and Hunter (1975:25) note that this optimum locus is 'not properly a choice but will depend upon the mutual reconciliation of their (management and unions) preferences, basically through bargaining, or at least through gradual adaption and adjustments of attitudes and machinery.'

The CIR (1974: 55-8) notes that this optimum position is not fixed and can easily change because of a change in the situational determinants. For they say that 'in deciding to take up these matters we were, however, very conscious of what was being done in one company today might well need to be done differently at some time in the future because of changes in its circumstances'. This is a welcome and much needed note of caution.

2 Situational Determinants

This section concentrates on the hypotheses put forward concerning the relationship between bargaining structure and a series of situational determinants. As previously noted many of these relate to the level at which bargaining takes place.

Discussion will concentrate on a relatively small number of articles which are central to the research.¹ In the main these articles propose a relationship between a whole range of variables and the level of bargaining.²

Reference will also be made to other studies conducted via a series of footnotes which have also investigated the effect of these variables, but which are peripheral to this study.

There is no attempt to provide a comprehensive guide to all the research in the field. Rather the aim is to give a concise synopsis of the main lines of argument. The objective is to highlight the agreements and conflicts of view within the literature.

In order to deal with the material systematically and to provide a framework which can be easily applied to the case material the situational determinants are dealt with under ten headings.

1 These include: Thomson and Hunter (1975) Deaton and Beaumont (1979) CIR (1974); Gill and Concannon (1977); Ramsay (1971); Gill (1975); Weber (1961); Shister (1958)

2 These approaches can be traced back to the 'contingency approach' of Lawrence and Lorsch (1967) and Pugh (1976) see Child (1973;1977) for a discussion of this approach.

- i Growth
- ii Size
- iii Technology
- iv Product market
- v Economic Performance
- vi Geographical location
- vii Ownership
- viii Management structure
- ix Payment structure
- x Trade Union activity.

i Growth

There is general agreement between the articles that the pattern of growth has an influence upon the present day structure. However the CIR (1974:10) and Ramsay (1971:44) lay particular emphasis upon this variable.

Two patterns of growth are suggested by the CIR: internal and external. The former is 'characterised by the building of new geographically separate plants within the company'. The latter 'takes the form of mergers with or acquisitions of existing companies.'

According to the CIR these two patterns have important implications for the form of management control. Internal growth 'clearly facilitates a strong group level control over all aspects of policy.' External growth makes such control difficult because of the variation between Industrial Relations policies of companies taken over. Ramsay (1971:44) has also noted this point of the difficulties associated with external growth 'Established plants come

together under one control but each has its own history with which it has learned to live over the years..... each plant has its own ethos - its own history of relationships - its own style of management.'

Thomson and Hunter (1975:28) therefore suggest that where there are differences within the group of history and management style then plant bargaining is indicated. However the CIR (1974:11) notes that this is not inevitable. Faced with this situation management can introduce a long term harmonisation programme. Alternatively acquisitions can be kept separate until they are brought into line with the group policy.

ii. Size

There is some disagreement over the impact of plant size on the level of bargaining. Some studies suggest that increases in plant size may lead to plant bargaining. Other studies suggest that if plant size is correlated with company size, then an increase in size will lead to company (i.e. group level bargaining). The impact of size has also been investigated by a number of other studies which are not directly relevant to the research.¹

Thomson and Hunter represent the former argument (1975:30). They suggest that the larger the average size of plant, the more suitable plant bargaining will be. In larger establishments problems must be dealt with locally.

Ramsay (1971:44) sums up this position: 'By and large small units have an easier Industrial Relations passage than large units.'

1 Eg. Boraston, Clegg and Rimmer (1975); Brown, Ebsworth and Terry

In the small plant personal relationships mean much more and informal aspects of Industrial Relations will loom large. Factories with upwards of say, 1,000 employees start having major problems of communications and control.'

Deaton and Beaumont (1979:11) take a different view. They suggest if it is assumed that large establishment size is highly correlated with large company size then 'the larger the establishment the more likely that there will be company bargaining.'

Ramsay (1971:44) looks at the variation in plant size. He suggests it is the size of this variation, not the absolute size of plant which may determine partly the appropriate level of bargaining. This hypotheses is based upon the argument that if there is one large plant in a group, others will tend to follow its lead. Whereas if plants are of similar size there may be no 'leader'. The implication of this is that plant bargaining may be possible even if establishments are large, so long as there is a low variation in size within the group.

iii Technology

A great many studies¹ have investigated the impact of technology as a determining variable. Two aspects are of interest in the multi-plant context.

¹ See Woodward (1965, 1970); Blauner (1964); Burns and Stalker (1961)

Deaton and Beaumont (1979:9) suggest that the degree of labour intensity resulting from the technology employed can influence the level of bargaining. They suggest that plant bargaining is likely when there is a high element of labour costs in overall costs.

Other studies have looked at the interdependency of plants in the same group. The CIR (1974:7-8) note with the growth of multi-plant organisations there is a greater tendency for plants to be dependent upon one another. In particular plants are often vertically integrated. That is each plant produces goods that are improved upon by the next. This may mean that raw materials or components for final assembly are produced in a number of plants.

Consequently 'there are a number of work groups with a power to interrupt the production cycle of many plants within the company' (1974:8). Thus if production stops in one plant it is possible that other plants dependent on the first plant will also be affected. However the CIR do note that some companies arrange their production so they are not dependent on any one plant. Despite this the hypothesis of Thomson and Hunter is that the more inter dependent the plants the greater the desirability of group bargaining.

iv Product Markets

Variations in technology are also often linked with the type of product. Two distinct themes can be recognised within the literature. Each stresses a different aspect of this variable.

The first concerns the range of product markets faced by one group. Thomson and Hunter suggest (1975:33) that the greater the range of markets faced the more likely will be plant bargaining.

An alternative view is taken by Weber (1967) and Brown (1973). These studies examine the actual nature of the product market faced, rather than the numbers of markets. Weber (1967:15) suggests that bargaining structure will be strongly influenced by the market within which negotiations take place. He suggests that unions will attempt to take wages out of competition by making the bargaining structure co-extensive with the relevant market. Brown (1973:172-5) stresses the impact of product market particularly under conditions of full employment. Under these circumstances he hypothesises that it is the product market rather than the labour market which has the biggest impact on the management control systems operated.

v Economic Performance

This is a relatively neglected variable in the literature. Only Thomson and Hunter (1975:34) attach any real significance to this. They suggest that a high level of profits will focus attention upon the organisation as a whole and hence lead to group wide bargaining.

vi Geographical factors

Two aspects are dealt with in the literature: the geographical concentration of plants, and the impact of local labour markets. Analysis indicates that these two sets of hypotheses may conflict in their prescriptions.

Gill and Concannon (1976:15) suggest that geographical proximity of plants appeared to be a determining factor on bargaining structure. They observed that where plants were in the same location they would often bargain, or at least meet together. Thomson and Hunter support this view and hypothesise that a small radius of plants indicates group bargaining (1975:34).

Ramsay however (1971:43) takes a more qualitative view of the impact of location. Where plants are highly dispersed he suggests that a wide range of attitudes and cultures will be encountered. This will also affect the local labour market conditions. If a group has a plant in a high paying location it is virtually inevitable that other more lowly paid areas will be affected by this. Demands for parity with the high paying location may therefore result. Hence there is some element of ambiguity present here. While highly dispersed plants may point to plant bargaining, such a situation may lead to parity demands which can only be settled by group level bargaining.

vii Ownership

The influence of this variable has only been noted by Deaton and Beaumont (1979:12). It concerns whether the group is owned by a foreign based company or not. They suggest that foreign owned establishments are often associated with group level rather than plant level bargaining.

They note that 'although not all foreign owned establishments bargain at company (i.e. group) level it is among the foreign owned establishments that the most well known moves, or attempted moves, in this direction have occurred.' Hence they state that 'we

hypothesise that foreign owned establishments are more likely to be involved in company rather than plant bargaining.'

viii Management structure

There appears to be something of a conflict of views on this subject. Some studies suggest that management and bargaining structure need not be the same, while others suggest that any major incongruency is unsatisfactory.

These views can be placed against a background of increasing attention being focussed on the role of management structure.

Bain and Clegg (1975) and Clegg (1976) have stressed the impact of management structure on bargaining structure. Clegg (1976:10) notes that the 'structure and attitudes of employers' associations and management' are the foremost influences on bargaining structure. Yet neither article gives any detail of the exact relationship.

The CIR (1974:29) appear to adopt the former of these two views. They state that 'the level at which collective bargaining takes place may not only be different from different subjects, but may not necessarily coincide with the level at which effective management decisions are made, in that a company with well developed plant bargaining may not only restrict the scope of bargaining at plant level, but may impose limitations from the group.'

Thomson and Hunter (1975:38) have also noted how misleading management structure may be. They state that 'the centre may appear not to control or initiate decisions at all, but rather to act as a clearing house for information flows between plants'. However in reality 'the centre is in such cases exercising a significant

degree of control, although its form may be indirect.'

Despite this Thomson and Hunter also say at another point (1975:27-8) that 'the greater the degree of centralisation in other functional areas, the greater the advisability for centralised bargaining to parallel the general decision making pattern.' They also state that (1975:39) 'Although locus of decision making need not be the same as that of bargaining, if they are too far different, frustrations will arise.' They fear that plant management will lose credibility if they are continually referring matters to group management even though plant bargaining exists. Anthony (1977:59) has noted that this may be a deliberate policy. In this case 'plant management may serve as an obstacle which the unions must strive to overcome by getting through to those in control.'

Ramsay (1971:44) refers simply to management control. He suggests that of all the variables 'this is often the most telling factor of all in determining how negotiations are structured.' Although Ramsay is correct when he says that 'management controls must be applied to industrial relations in the same way as any of the other management functions'. This is a simplification, for as Anthony (1977:49) suggests levels of bargaining are 'likely to be neither uniform or the result of policy decisions.'

Anthony here is devaluing the role that management policy may play in Industrial Relations. Instead he suggests that a more ad hoc haphazard approach is common. This conflicts with the CIR's (1973) view of the role that policy can play. They suggest that a 'well defined policy promotes consistency in management and enables all employees and their representatives to know where they stand in relation to the company's intentions and objectives' (1973:10).

For this reason they suggest that 'a company's Industrial Relations policy should form an integral part of the total strategy with which it pursues its business objectives' (1973:4). Gill has also stressed the importance of an Industrial Relations policy. 'The policy which a firm may adopt in the area of collective bargaining and negotiating procedure is thus of crucial importance. It provides the key stance upon which other Industrial Relations policies within the large firm are built.' (1974:30).

Brown, Ebsworth and Terry take a broader view of the role of management. They place emphasis upon the attitude taken by management towards unions (1978:155). While Deaton and Beaumont (1979:13) suggest that the existence of Personnel Managers in the plant suggests company rather than plant bargaining.

ix Payment structures

This influence has been noted by both Thomson and Hunter (1975:33) and Deaton and Beaumont (1979:9). The studies are in agreement as to the impact of this variable.

Both suggest that where payment by results systems exist plant bargaining is likely. Hence the more that plants are linked via job evaluation or similar schemes then group bargaining is more likely.

x Trade Union activity

At least three differing themes can be identified under this heading. There are those studies which stress the impact of union

structure within the plant. Second some research stresses the impact of union activity on bargaining structure. Finally other studies stress trade union inter-plant activity.

Brown, Ebsworth and Terry (1979:149-154) stress the impact of union structure. They lay particular emphasis upon the influence of multi-unionism. Multi-unionism, it is suggested, has been an important force behind the growth of workplace bargaining. The need to achieve a common front in the plant has spurred the development of joint committees. Hence where multi-unionism exists there is likely to be pressure towards plant bargaining.

There is something of a conflict of opinion regarding the impact of union activity on bargaining structure. Authors such as Clegg (1976) have, as shown above, viewed union activity as a consequence rather than a cause of bargaining structure. Similarly Ramsay (1971:44) has noted when speaking of union activity that 'by and large they seem to have fallen in with the various patterns determined by management except where there has been a preference among manual unions for plant bargaining.' Although Ramsay notes that with the development of larger staff unions this may change.

American authors (Weber 1961 and Livernash 1963) have taken a different view. They suggest that management have relatively little impact on bargaining structure. Bargaining structure is largely attributable according to this analysis to union pressure. Such a view may be a consequence of the nature of bargaining in the United States. The legislative framework and the greater emphasis given to bargaining structure by unions probably accounts for this.

The final way in which union activity may influence bargaining structure is noted by the CIR (1974:12) and Thomson and Hunter (1975: 29-30). This concerns the degree of inter-plant activity by unions within the same group. The CIR suggests that where inter-plant links are strong differentials between plants should be minimised. As an extension of this Thomson and Hunter suggest that where unions represent similar grades across plants then centralised bargaining should be used in an attempt to eliminate 'leap-frogging', that is the comparison of terms and conditions between plants.

B THE CASES

Two themes are central to the previous research in the field. First that bargaining structure and bargaining level in particular provides an adequate framework for understanding the nature of Industrial Relations in each case. Second that there is a consistent relationship between bargaining structure and a series of situational determinants.

In order to test the validity of these two theories current research is applied to the previous literature. Data from the case studies is systematically applied to the framework developed in the previous section. Each of the hypotheses relevant to multi-plant groups is tested by examining information available from the case studies. Data relevant to each hypothesis is discussed and presented in the form of a table. These tables are collected together at the end of the chapter for ease of reference.

The method of analysis used here also provides an introduction to the case studies themselves. This information should be read in conjunction with the descriptive material (or 'thumb-nail sketches') given in Chapter Two.

1 Collective Bargaining Structure

Four dimensions of bargaining structure have been stressed in the literature: bargaining level, unit, scope and form. This framework is now used to analyse bargaining in each of the four cases

in turn. Reference should be made to Tables 2, 3 and 4 at the end of this chapter for further details.

(a) FORD

The group is the most important level of bargaining in this case. Ford is not federated and is not influenced by the National Engineering Agreement.

Management representatives are drawn from group staffs, while union representatives come from each of the plants and officials of the unions.

Two units are engaged in collective bargaining. Manual workers are dealt with as a whole. Their representatives are plant convenors and national officers who meet management approximately every two months in a National Joint Negotiating Committee.

Clerical and supervisory staff also engage in collective bargaining. Their meetings with management are somewhat less formal and regular than the manuals.

Agreements for manual workers in Ford are very comprehensive and highly detailed. Issues covered include the wage structure, wage rates, overtime and shift rates, lay-off pay, pensions, and grievance and work standards procedures. Payment is by measured day work, with no bonuses of any kind, using a standard job evaluation structure.

The present agreement does not cover matters concerning discipline and shop steward movement.

The agreements are written and signed and distributed to every

employee. They are negotiated by perhaps the most formalised bargaining procedure in the engineering industry.

Despite these formal group wide agreements, there is considerable informal bargaining in the plants. This is concerned with issues occurring on a day-to-day basis for example discipline, manning, shop steward movement and facilities. This takes place within the constraints of the group wide agreement and under the gaze of group management.

Ford therefore has perhaps the simplest of all four bargaining structures. Yet even here bargaining takes place at two levels depending upon issue and form. Formal group wide bargaining does not preclude bargaining in the plant from day-to-day.

The manual trade unions have formed a combine involving all the plants. This is formally recognised by management.

FORD

LEVEL	Group
UNIT	Manual : Staff
SCOPE	Very comprehensive and detailed
FORM	Formal group bargaining, informal day-to-day

(b) ROLLS

Rolls is a federated company and abides by the Industry Agreement for Engineering. The most important level of bargaining is in the plant. However for certain issues and units this differs.

Pensions for all employees are settled at group level. Nurses and overseas representatives negotiate at group level.

In the plant the major manual unions usually negotiate together and form a Joint Shop Stewards Committee. The Staff unions (including a unionised management group) usually negotiate separately.

Occasionally the 'plant' bargaining unit actually covers a number of physically separate sites in the same geographical location. Under this situation of 'location bargaining' similar terms and conditions apply to all of these sites. However bargaining may take place on these separate sites on day-to-day issues.

Agreements are usually very comprehensive and detailed. One agreement for manual workers in one plant runs to over 150 pages. These agreements cover all the major substantive and procedural issues, including a discipline procedure.

Payment is based on MDW, although there is a bonus system in addition. Pay rates are not uniform throughout the group.

Agreements are usually written and sometimes signed. Negotiating procedures are highly formalised with a whole variety of committees.

Informal bargaining takes place on the separate sites with a plant agreement, or at department level. Line management have a good deal of autonomy and this has led to inconsistencies within a single plant.

The formal level of bargaining depends on the issue and unit in question. For most employees and issues the plant is the most important level. However there is a good deal of site and shop floor bargaining which takes place informally.

Also there is some inter-plant union activity. Both manual and staff unions have formed combines. These are not recognised by management and at moment attempt to co-ordinate activity on specific occasions rather than push for group level bargaining.

ROLLS

LEVEL	Plant with variation depending on issue and unit
UNIT	Manual; Staff + 'location bargaining'
SCOPE	Wide ranging and detailed
FORM	Formal plant level; informal department and shop floor

(c) TUBES

The majority of issues are negotiated at plant level, although Tubes is a federated company and adheres to the Industry agreement.

Pensions are negotiated at group level for manual and staff workers. Fringe (non-salary) issues are often settled at Divisional level for staff employees.

Manual and staff workers are dealt with separately. In one plant manual unions bargain separate, but identical agreements, although this is not the norm. Staff workers usually bargain in often very fragmented groups.

Negotiations for one plant can cover a number of separate sites. Although major terms and conditions were much the same day-to-day bargaining on these sites often meant many inconsistencies within the plant.

Although comprehensive and detailed agreements are usually negotiated separately, they are not kept together in the same way that they are in Rolls and Ford.

Issues covered are the normal substantive and procedural items, although usually without a disciplinary agreement.

Payment is based on some form of PBR - often resulting in very detailed and complicated agreements.

Negotiations are formalised at plant level, and agreements are usually written and signed.

There is a considerable amount of factory or shop floor bargaining within each plant. Many of the departments, although operating the same agreement, are often a 'law unto themselves.' The style or culture of industrial relations differs markedly resulting in many inconsistencies across the plant.

The formal level of bargaining again depends on the issue and unit in question. Also formal and informal bargaining takes place at different levels.

Inter-plant activity also exists in Tubes. Manual workers have formed a combine designed to influence investment decisions, while staff workers co-ordinate and compare terms and conditions between plant.

TUBES

LEVEL	Mainly plant; some Divisional bargaining
UNIT	Manual; staff; 'location bargaining'
SCOPE	Wide ranging : some detailed
FORM	Formal plant bargaining; informal shop floor and department

(d) GEC

There is a limited amount of bargaining at plant level. Many issues are settled at department or shop floor level. GEC is a federated company operating the Industry agreement.

Pensions for manual and staff workers negotiated at group level.

There are usually highly fragmented bargaining structures, often with many subdivisions within manual and staff groups.

Where sites are closely located they will negotiate common agreements covering the basic terms and conditions. All other matters are settled below this level.

Formal bargaining is neither comprehensive nor detailed. Often it may cover only the size of annual increase. Each site tends then to operate its own informal agreements.

Formal bargaining is very limited. Agreements are rarely written, and are usually only recorded as management memoranda.

The majority of bargaining is conducted informally either at site or shop floor level. There is often a great deal of inconsistency between the various sites.

Bargaining in GEC is highly informal and fragmented. Sites within a plant bargaining structure often have a great deal of autonomy.

Although there are large pay differentials between different plants, inter-plant union activity is negligible.

GEC

LEVEL	Plant; site; shop floor
UNIT	Highly fragmented; 'location bargaining'
SCOPE	Limited range
FORM	Limited formal; wide-ranging informal

2 Situational Determinants

In this section case study material is applied to the framework of situational determinants outlined earlier in the chapter. Specific hypotheses are tested systematically by reviewing the data available from current research. Again because of the significance and emphasis on the level of bargaining attention is focussed on this dimension of bargaining structure.

These judgements are not conclusive because of the limited research base. However they tend either to lend some support for, or throw doubt upon the hypotheses put forward. Those variables which it is felt can be more fruitfully followed up are identified towards the end of this chapter. Table 5 summarises the features described here.

i Growth

Two patterns of growth were recognised in the literature. Internal growth involved building geographically separate plants within the group, while external growth involved mergers with or acquisitions of existing companies.

According to the literature internal growth facilitated group level bargaining, while external growth made plant level bargaining likely.

CASE	GROWTH PATTERN	BARGAINING LEVEL
FORD	Internal	Group
ROLLS	Internal and External	Plant
TUBES	Internal and External	Plant
GEC	Internal and External	Plant

It is immediately evident that the pattern of growth is not as simple as suggested. With the exception of Ford all the cases displayed both internal and external growth. The differences were only ones of emphasis.

Even Ford is not quite so straightforward as it appears. Although growth has been predominately internal Ford has in recent years taken over a number of small separate companies. Despite this the pattern of growth does appear to have made group level bargaining possible. However this is not purely by accident. Management have had a deliberate policy of standardising all terms and conditions in all new plants before they are accepted into the group structure.

Evidence from the other cases is more confused. All one can say is that the mixture of patterns of growth, rather than external growth alone, appears to be associated with plant bargaining.

The impact of mergers has not been stressed by the literature yet appears to be significant in both Rolls and GEC. Both are conglomerate organisations the result of mergers in the late 1960's. Deep divisions still exist within these groups. These have a profound effect on Industrial Relations in a way that cannot be analysed as a

separate variable, but can be understood only in the case study context. For this and other reasons the impact of growth appears to be worthy of further study.

ii Size

Two views were recognised on the impact of plant size. The first suggested that increasing plant size would lead to plant bargaining. The second hypothesised that if correlated to group size, increased plant size could lead to group bargaining.

A second factor considered was the impact of variation in size. A high variation would lead to group bargaining, while a low variation would imply plant bargaining.

CASE	AVERAGE PLANT SIZE	VARIATION IN PLANT SIZE	BARGAINING LEVEL
FORD	2,500	High	Group
ROLLS	5,000	High	Plant
TUBES	500	Low	Plant
GEC	1,000	High	Plant

The figures given for average plant size are confusing.

Evidence from Rolls would seem to support the hypothesis that large plant size demands plant bargaining. However the figure given is slightly misleading since it represents often 'site' or 'location' bargaining units. These are separate units which bargain together, but for day-to-day matters are effectively autonomous. The same applies to the figure given for GEC.

The figure given for Ford may also be misleading. Since this is

a simple mathematical mean it conceals some very large plants. One plant has over 25,000 employees. Yet Ford bargains at group level, although as seen above day-to-day matters are dealt with at plant level.

Ford lends support to the hypothesis that if plant size is connected with company size group level bargaining is possible. Certainly large plant size is not an insurmountable barrier to group bargaining.

Within Tubes a quite different logic to that discussed in the hypothesis is present. Here it is suggested that only if plants are kept small will local management have the ability and facilities to deal with plant problems. Once the plant grows above a certain size then intervention from outside may be required. This may not mean that bargaining takes place outside the plant, but rather than management advice and assistance is required from group or divisional level. Thus Tubes distinguish between the level of bargaining and the involvement of management from outside the plant.

Ford has the largest variation in plant size and has group bargaining lending support to the original hypothesis. However with the exception of Tubes the other cases have large variations of plant size, yet have plant level bargaining. Tubes have had a deliberate policy of keeping variations low to enable plant bargaining. Thus while Tubes and Ford provide some support for this hypothesis the other two cases throw doubt upon it.

In conclusion it appears that the average size of plant can be misleading. Also it can be hypothesised that there may be three factors affected by size. The level of bargaining, the level at which day-to-day issues are settled, and the intervention of management from outside the plant.

iii Technology

The predominant hypothesis within the literature concerned the degree to which plants were integrated. It was suggested that the higher the degree of integration, the greater would be the need for group bargaining. The rationale here was that interdependency would render the whole group vulnerable to a stoppage in a single plant.

CASE	INTEGRATION OF PRODUCTION	BARGAINING LEVEL
FORD	High	Group
ROLLS	High	Plant
TUBES	Medium	Plant
GEC	Medium	Plant

Since these are all large multi-plant groups some degree of integration is virtually inevitable. Those cases with the least integration of production, Tubes and GEC, have plant bargaining. However, Rolls with a very high level of integration also has plant bargaining. The evidence for these cases is conflicting.

At first sight Ford appears to support the hypothesis. However two points must be noted. Firstly group level bargaining does not prevent disputes from emerging in the plants. There have been occasions when a number of plants have had to lay off workers because of a dispute in a single plant. This has led Ford to arrange for dual sourcing of vital components wherever possible. Secondly, production in Ford is integrated on a European basis. Therefore if all production in this country is stopped because of a national strike supplies of components to European plants is affected.

There is therefore little clear cut support for this hypothesis.

iv Product Market

The literature asserts that groups having highly diverse product ranges will have plant bargaining. The rationale here is that the different markets faced will make group bargaining difficult.

CASE	PRODUCT DIVERSITY	BARGAINING LEVEL
FORD	Low	Group
ROLLS	Low	Plant
TUBES	High	Plant
GEC	High	Plant

These cases appear to provide evidence in support of this hypothesis.

Tubes and GEC have extremely diverse product ranges and both have plant bargaining. In these cases group bargaining would be difficult because of the range of markets faced.

Ford produces relatively few products and faces few markets. It also has group bargaining which is expected from the literature.

Rolls however raises some doubts. It is a highly integrated group manufacturing a small number of products. Yet it bargains at the level of the plant. This case therefore directly contradicts both the data from the other cases and the hypothesis.

Thus while there is some support for the impact of this variable, the Rolls example, because it directly contradicts expectations, leaves room for doubt.

v Economic Performance

The hypothesis puts forward a relationship between the profitability and the level of bargaining. A high level of profit, it is suggested, will focus attention on the group and may lead to bargaining at this level.

CASE	PROFITS	BARGAINING LEVEL
FORD	High	Group
ROLLS	(Losses)	Plant
TUBES	Moderate	Plant
GEC	High	Plant

Apart from the Ford case there is little evidence to support this assertion. Ford has a high level of profitability and bargains at group level.

However GEC and Tubes have either moderate or high profits, but bargain at plant level. Although attention may be focussed on the group because of this plant level bargaining is not prevented. In fact Tubes goes to some lengths to assert its corporate strength in its advertising. It deliberately focusses attention on the group level, yet still has plant level bargaining.

It could be hypothesised that a loss as well as a high level of profits could draw attention to the group as a whole. Rolls has recently been consistently making losses, and indeed went bankrupt in 1971. This has served to focus attention on the group as a whole, while still maintaining plant bargaining.

Thus an extreme financial performance may concentrate attention on the group, although this does not necessarily preclude plant bargaining.

vi Geographical factors

The main argument concerning this variable is as follows. Within a group having plants which were highly concentrated in one area group level bargaining was likely. Conversely groups having highly scattered plants would have bargaining at plant level. This assertion was largely on the basis of observation.

CASE	GEOGRAPHICAL CONCENTRATION	BARGAINING LEVEL
FORD	Low	Group
ROLLS	Low	Plant
TUBES	Low	Plant
GEC	Low	Plant

Ford appears to directly contradict the hypothesis. Its plants are scattered throughout the country, yet it has group bargaining. The explanation here may be the management have excellent communications between the plants. They attempt to deal with the plants as if they 'were all under one roof'. Therefore geographical location has little impact from this point of view.

Evidence from the other cases would appear to give some limited support. Plant bargaining is associated with highly dispersed plants. However the position is not quite as simple as this. In Rolls and GEC there is some 'location bargaining'. Plants in the local area bargain together and adhere to the same agreement. Therefore the same principle is involved here as in the hypothesis. Sites in the same area will bargain together, although this may not necessarily take the form of group level bargaining.

The impact of the locality appears to influence the quality of

Industrial Relations. It was commonly suggested by management that each plant had its own atmosphere and culture, often dependent upon the local community traditions. Influences such as these can only be adequately dealt with in case studies. Therefore this variable will be examined in greater detail in the cases which follow.

vii Ownership

The suggested impact of this variable is quite clear. Groups who are based overseas will tend towards group level bargaining. The implication being that they will 'import' their domestic practices to this country. Most commonly American firms were quoted in support of this assertion.

CASE	OWNERSHIP	BARGAINING LEVEL
FORD	U.S. Subsidiary	Group
ROLLS	U.K. Public	Plant
TUBES	U.K. Private	Plant
GEC	U.K. Private	Plant

On the basis of the evidence given above Ford would appear to support the proposed relationship. In fact it would not be unfair to say that some American structures and practices have been used in this country. But it would be a mistake to assume that the British set up is a simple copy of the American. An analysis of various European Ford subsidiaries shows some variation in structure and practice. Each subsidiary has had to change in order to accommodate the practices unique to each country. The result is a compromise.

The basic American principles remain unchanged, while the detail reflects the traditions of each country.

The three other cases are all UK based and either publicly or privately owned. As such they reflect the tradition of plant bargaining in the Engineering Industry in this country.

viii Management Structure

There was a degree of ambiguity present in the literature concerning the impact of this variable. Some studies suggested there ought to be a close link between management and bargaining structure, while others considered this was not necessarily the case.

CASE	MANAGEMENT STRUCTURE	BARGAINING LEVEL
FORD	Group	Group
ROLLS	Group	Plant
TUBES	Division	Plant
GEC	Plant	Plant

Ford and GEC show a consistency between management and bargaining structure not present in the other two cases.

However even in Ford and GEC the situation is not as straightforward as it appears. Ford is part of a European organisation designed to co-ordinate the activities of subsidiary companies. Although based in this country this organisation covers subsidiaries in Germany, Spain and France. If this European management structure is considered, then the group bargaining structure is not consistent with it. To be consistent there would need to be bargaining between countries.

Similarly although GEC's management structure is based on the plant considerable control is exercised from the centre on investment and rationalisation decisions. The impact of such controls cannot be adequately evaluated at this point and is dealt with at greater length in the case studies.

In both Rolls and Tubes the management and bargaining structures are incongruent. The activities of the organisation are controlled from group level in Rolls and from Divisional level in Tubes. This structure is based upon product diversity to an extent. Rolls has few products and highly integrated plants. Tubes has a wide range of products which are organised into divisions covering similar products.

From the evidence given above management structure and bargaining structure are linked but not necessarily in such a way that one mirrors the other. Again the impact of this variable deserves a more detailed qualitative approach possible only in a case study.

ix Payment Structure

The hypothesis concerning wage structure suggested that PBR based systems could only be operated at plant level. The complexity of problems emanating from such schemes could only be dealt with at plant level.

CASE	PAYMENT SYSTEM	BARGAINING LEVEL
FORD	MDW	Group
ROLLS	MDW	Plant
TUBES	PBR	Plant
GEC	PBR	Plant

The limited data available appears to support the hypothesis Tubes and GEC are the only cases having PBR based payment systems and they have plant bargaining. In fact it is quite probable that if there was a move to group level bargaining there would have to be a change in the payment systems. The complexities involved with administering PBR in each case are very great. Any move away from the plant would have to involve a change to MDW.

x Trade Union Activity

Two hypothesis were put forward concerning this variable. The first suggested that any group facing a large number of unions should have plant bargaining. The second suggested that where unions had good contacts between plants group bargaining was advisable. Without this the plants may either compete between each other in bargaining, or would co-ordinate activity in order to frustrate management.

CASE	NUMBER OF UNIONS	TU INTER-PLANT LINKS	BARGAINING LEVEL
FORD	Large	Strong	Group
ROLLS	Large	Moderate	Plant
TUBES	Large	Moderate	Plant
GEC	Large	Weak	Plant

The first point to note here is that there is no consistent relationship between the numbers of unions faced and the level of bargaining. All the groups faced a large number of unions, yet had different bargaining structures.

The hypothesis concerning the union links between plants is not easily evaluated from the data so far presented.

Both Ford and GEC seem to support the assertion, albeit in different ways. In Ford links between plants were very strong. A combine of manual unions from all the plants had been formed and was formally recognised by the management. And as suggested by the literature Ford has group bargaining. Unions in GEC had very poor links between plants, hence allowing plant bargaining.

Evidence from Tubes and Rolls seems to dispute the hypothesis. In Tubes the manual unions have formed a combine based upon the Division in order to influence investment decisions. White collar unions compare terms and conditions between all plants in the group. Claims are often made for fringe benefits on the basis of what other Tubes plants are receiving. Unions in Rolls (both manual and staff) have strong links between the plants. This has resulted in co-ordinated action between the plants in the past. However as yet there are few demands for group wide bargaining.

Thus despite these links between plants bargaining in Tubes and Rolls is at plant level.

The evidence here not only contradicts the existing literature, but also conflicts between itself. One may ask how and why do Tubes and Rolls manage to maintain plant bargaining in the face of this level of inter-plant activity.

When reviewing the preceding analysis a number of points are evident.

First the data from the cases in some instances supports, and in others throws doubt upon the hypotheses put forward. The evidence in most cases was sufficient to warrant further study.

Second many of the variables appeared to be linked. It seemed unrealistic for example to separate out the influence of product diversity and treat it in isolation. Quite obviously it was closely connected with technical differences.

Finally many of the variables could not be adequately dealt with in the manner adopted. The effect of growth, management structure and union activity could not be fully appreciated without in depth study.

The case studies which follow present the opportunity to answer some of these problems.

C CONCLUSIONS

At this stage it is useful to review the progress made so far in this chapter. Data derived from four empirical case studies has been used to test a number of specific hypotheses drawn from previous research. Initially the research was outlined and a framework for analysis developed. Second this framework was then applied systematically to the research data.

This third section provides the opportunity to stand back from the detail. An evaluation is made of the usefulness of previous research in the context of this study. In practice this involves two activities. First, highlighting gaps that exist in the literature, and posing a number of questions relevant to these. Second picking out a number of guidelines from the research which may usefully be pursued in the case studies which follow.

The objective of this chapter has not been simply to make criticisms, but to ask a number of constructive questions suggested by the literature. These questions provide a link between the introduction to the thesis and the case studies.

As previously two areas of research are discussed. First collective bargaining structure with particular emphasis for the first time on the importance of the depth of bargaining. Second the influence of situational determinants stressing a number of variables which may usefully be investigated further.

1 Collective Bargaining Structure

Bargaining level has been recognised as the most important

dimension of bargaining structure. Yet two problems exist with this. First it was not possible to treat the level of bargaining in isolation from other dimensions of bargaining. Second it was difficult to discuss differences in Industrial Relations between the cases simply by referring to the level of bargaining. The focus therefore needs to be expanded.

A number of examples can be quoted.

(a) Bargaining Level and other Dimensions of Structure

The most important level of bargaining varied in some cases with the unit of employees being considered. One unit may be dealt with at one level, while another unit at a quite different level. In Rolls for example certain units of employees who moved throughout the group bargaining at group level.

Bargaining level could also be dependent upon the issue in question. In virtually all cases pensions were negotiated (if this is the correct phrase) at group level, irrespective of where bargaining took place for other issues. As noted previously this is because of the need to have a large group of employees when dealing with pensions.

Thomson and Hunter (1975:25) solve this problem by concentrating on a narrow range of issues. However their emphasis upon the level of wage settlements appears difficult to justify particularly during a period of incomes policy. Wage negotiations may have been a typical not only of negotiations, but also of the conduct of Industrial Relations as a whole. Thomson and Hunter (1975:35) acknowledge this problem. They suggest that because of the 'two-tier' system of

bargaining in the country there is a need for a secondary questionnaire which gathers information concerning non-wage issues.

Variations in formality are a serious problem for as Terry (1977) argues, some degree of informality in bargaining is virtually inevitable.

According to Terry formal bargaining alone is very unlikely. The pressures and stresses of day-to-day Industrial Relations mean that custom and practice is likely to figure on most occasions. When a formal structure of bargaining is introduced, Terry (1977:85) argues that either the informal practices never disappear completely or will soon re-emerge again. This is because such practices are closely bound up with individuals behaviour and expectations and this is not easily changed.

This concept is well demonstrated in all the cases. In the group with the simplest bargaining structure, Ford, this phenomenon was very much in evidence. Although formal bargaining took place at group level, there was a considerable amount of bargaining within the plants. This was not acknowledged by group management even though it dominated the day-to-day lives of those engaged in plant Industrial Relations. Bargaining took place on at least two levels, although formally only at group level.

Emphasis upon the formal level of bargaining can therefore be misleading. It may result in an incomplete picture of Industrial Relations within a group. The problem is that if informal bargaining is included in a classification the picture becomes confused and unclear. Any move away from the criterion of formal bargaining levels means that a single classification is no longer possible.

(b) Level and Changes over time

The analysis is also essentially static. Two aspects of this are important.

First the concentration upon a few supposedly significant issues may mean that certain apparently minor changes having a major impact will be neglected. For example consider a change in the method of calculating piecework earnings, such as a move from money to time based values. Such a change may appear as trivial from the outside but may have profound implications within the plant. This is because over time a whole series of customs and practices may have grown up around a system of payment. Any attempt to change this payment system may require a change in the custom and practice as well. Hence it may be vigorously resisted.

Second the level of bargaining may be changed for no apparent reason other than it being fashionable to do so. For example in the past there have been swings towards one level of bargaining or another. This may be because such a change is seen as a way of solving a particular set of problems. As these problems change, then the level of bargaining may alter in turn.

Thus at any time the level of bargaining observed may merely be a temporary halt in an ever changing pattern. Also the level of bargaining may be unchanged on other occasions even though significant changes in Industrial Relations activity have taken place.

(c) Continuum of Bargaining Levels

The concept of a continuum or range of bargaining levels is an extension of the notion of a bargaining level itself. Two areas of criticism are particularly worthy of mention here.

It has been shown that the level of bargaining is not independent of the other dimensions of bargaining structure. A single level of bargaining will often apply only to one issue, unit of employees and period of time. Hence to gain an overall picture of an organisation the result will be a number of levels of bargaining. Consequently an organisation cannot be said to occupy a single clearly defined position on a continuum of levels of bargaining. In practice it will occupy a number of positions depending upon the dimensions of its bargaining structure.

The second point concerns the use of the terms 'centralised' and 'decentralised' with the continuum of levels of bargaining. Thomson and Hunter tend to use these terms in an unproblematic manner. It is argued below that these terms are purely relative, and can be applied differently depending upon ones perspective.

Terry (1977:79) has made this point well. He notes that a move from industry level to plant level bargaining may be seen as decentralisation from management's point of view. However from the shop floor perspective this same change may be seen as centralisation if informal custom and practice regulation is replaced by formal plant bargaining. The terms centralisation and decentralisation are purely relative, their meaning depending very much on where one is standing.

A good example of this was seen in Tubes. In one factory formal plant level bargaining was introduced in an attempt to eliminate the previously high level of fractional bargaining. Along with this plant management was strengthened as the plant was separated from a sub-group of which it was previously a member. From the point of view of Divisional Management this was a change in the level of bargaining

constituting a move towards decentralisation. From the shop floor perspective this same move was seen as centralisation of bargaining. Issues formerly dealt with on the shop floor were now being raised to the level of the plant. Previous custom and practice regulation was replaced by formal plant bargaining.

The main point which emerges here is that a change in the level of bargaining can be seen in a variety of ways depending upon ones perspective. A single change in level can be seen as either centralisation or decentralisation depending on one's position. These terms cannot be used in an absolute manner, but must be associated with a particular point of view.

(d) Optimum Level of Bargaining

The initial point made regarding the continuum of bargaining levels is relevant here. If, as has been argued, it is not possible to classify bargaining by reference to a single level then the notion of an optimum level is thrown into doubt.

First this concept assumes that a single level of bargaining is not only possible, but also desirable. It has been shown that at least with large multi-plant groups this is simply not possible. The variety and complexity of bargaining units and issues makes a number of levels of bargaining virtually inevitable. However it could be argued that there could be a number of optimum levels for each unit and issue.

This suggestion ignores the fact that 'optimum' is in most cases defined by management. Thomson and Hunter suggest that this optimum level is defined jointly by management and unions. As

Deaton and Beaumont recognise (1979:8) management have been seen as the main authors of bargaining structure.

Finally the notion of an optimum level of bargaining seriously underestimates the problems concerning a change in bargaining structure. A number of points are relevant here.

First management may not perceive the need for change. They may be unaware of the influence of particular variables. Alternatively management may be aware of these variables but may interpret their impact in a different way to that which would have been expected.

Secondly, and perhaps more importantly management may find it difficult to bring about change. The status quo often represents a variety of vested interests and a particular balance of power. Any attempt at change may be seen as a threat to the established position of either side, and hence will be refuted. Also management may be able to make changes, but find them too expensive. For example in Rolls management would have preferred to make a change in the level of bargaining. However the costs of moving from plant to group bargaining would have involved a levelling up of pay rates. This proved too expensive for Rolls to contemplate.

(e) Collective Bargaining Depth

An analysis of bargaining within an organisation based largely upon the formal level of bargaining has been shown to be unrealistic and incomplete.

It is unrealistic because the level of bargaining cannot be isolated from the other dimensions of bargaining structure. It

cannot be singled out for study on its own since it is often dependent upon the bargaining issue, unit and form. The result is that rather than having a single level of bargaining most organisations will have a variety of levels.

An analysis based upon formal level as well as crucially simplifying bargaining structure is also an incomplete guide to the actual character of bargaining activity in a group. For example Rolls and GEC both bargain formally at plant level. However in practice Industrial Relations in each group is completely different. Rolls is far more of a single group with much activity between as well as within the plant. While in GEC the focus of activity is below, not above the level of the plant. Often it is the shop floor, not the plant, at which most activity takes place. Thus from the outside both groups have plant bargaining, but in practice this tells us very little about the nature and activity involved in bargaining.

What is lacking is some feeling for the depth of bargaining. It will be recalled that this is a concept introduced by Clegg (1976:8) and concerns the 'involvement of local union officers and shop stewards in the administration of agreements'. This concept can be adapted for our purposes. Here it is taken to be a measure of the bargaining activity at various levels within the bargaining structure. It is argued that it is not good enough simply to see where bargaining takes place but also to evaluate the activity surrounding that bargaining. If this dimension is added to those already outlined a more accurate and comprehensive picture of bargaining in an organisation may be gained.

To summarise the points made in this chapter so far. Briefly it has been argued that two main problems exist with the concept of

levels of bargaining. First, the notion of each group having a single level of bargaining is unrealistic. It is more likely that an organisation will have a variety of levels of bargaining depending upon the issue, unit of bargaining and time in question. Second even if a single level of bargaining could be identified this is still likely to be inadequate. Usually there is little information concerning the depth of bargaining. This is taken to mean the actual activity at various points within the bargaining structure. Only when this is examined will a full picture emerge. In this way it may then be possible to distinguish more accurately between the character of bargaining in each of the cases. It is not possible to gain an accurate and comprehensive picture of Industrial Relations in each case by relying on the level of bargaining alone. The analysis must be expanded to include other dimensions of bargaining structure. In order to do this the case studies are examined in much greater depth in following chapters.

2 Situation Determinants

This section reviews the findings of the analysis into the relationship between bargaining level and its situational determinants. Initially it recalls the findings from the cases. Following this it attempts to evaluate the usefulness of the approach as a whole and put it within the context of other theories.

(a) Evaluation of Determinants

The impact of ten situational determinants on bargaining level

was considered in the light of the available research. For some hypotheses there was a good deal of support, while doubt was thrown on the validity of others.

Considerable evidence was found in support of a number of variables. These included growth; geographical concentration; ownership; management control; and union activity.

For example the pattern of growth was seen as an important constraint over present managerial action. In particular the consequences of mergers seemed significant. A concentration of plants in a local area belonging to the same group often resulted in 'location bargaining'. Also the culture of a local community could influence plant bargaining. The impact of foreign ownership was seen in one case. Many of the structures and attitudes in this organisation appeared to be 'imported' from overseas. Management control appeared significant not just via management structure, in particular the level of management, but also 'outside' the structure. For example when issues designated as the concern of plant level management were dealt with by management above this level. Finally union activity appeared to be a big influence, in particular the inter-plant activities which were engaged in.

There was limited support for a number of other variables. But in general doubts were raised about the impact of these factors.

For example the hypothesis concerning the impact of size appeared to have little foundation. The organisation with the largest size of plant had group bargaining, rather than plant bargaining as hypothesised. Whereas the group with the smallest plants had plant bargaining. Technical interdependence between plants gave conflicting results. Of the two highly interdependent groups one had group bargaining and the other plant bargaining. Whereas group bargaining

had been suggested. Similarly conflicting evidence was available for the impact of payment systems. Whereas measured day work was hypothetically related to group bargaining, in practice this was connected with group or plant bargaining.

This mixed bag of results is not conclusive one way or another. Even if the results were in agreement with the hypotheses, the narrow source of data would still demand a note of caution. Generally the results either confirm, support or throw doubt upon the suggested relationship. This is only to be expected.

However one conclusion can be noted. An argument which suggests that bargaining structure is solely determined by situational determinants is almost certainly erroneous. Such factors are only a partial explanation. These hypotheses and theories must be used in conjunction with other variables to produce a more complete picture. This view is supported by the fact that many of the variations in bargaining structure appeared unrelated to the proposed variables. Rather they seemed to be influenced by more elusive influences which could not be pin pointed and were difficult to measure.

(b) Interdependency of Determinants

It appears that a number of the determinants studied were interdependent. Two or more variables may be so closely related in practice that it is unrealistic to assess their influence in isolation.

In a number of cases product range and technology were highly interdependent. A change in one would almost certainly require a change in the other. Their influence also is likely to be very similar.

A more complex example involves management structure and the pattern of growth. These two variables may virtually be inseparable. For instance an internal pattern of growth may be very closely related with a centralised management structure.

A case study approach will enable these closely related determinants to be disentangled. It is also important to note that all these variables will be influencing management at the same time. Moreover these variables may be pulling the different directions. Management may well be faced with a number of pressures which conflict.¹

(c) Cause and Effect

Much of the literature reviewed contains an implicit assumption concerning the relationship between situational determinants and bargaining structure. It is assumed that the structure of bargaining is determined, at least in part, by certain identifiable situational variables. That is to say a one way causal relationship exists. This hypothesis has two faults.

First, it is very difficult in cases such as this to prove that a causal relationship exists. It may be possible by means of multi-variate analysis, such as that conducted by Deaton and Beaumont (1979) to show that there is a consistent association having predictive value between certain situational characteristics and types of bargaining structure. But one cannot infer that this association is in fact a causal relationship. This is a consistent association and nothing more.

¹ Child (1977:167f) calls these multiple contingencies

In fact these consistent associations are in themselves limited. The factors they identified were found to be relevant only to the distinction between multi-employer and single employer bargaining (1979:21). Indeed they note (1979:4) that 'there is likely to be a very definite upper limit to the extent of overall explanatory power that one can reasonably expect to obtain from any cross-section study'. In practice this meant that their variables had very little predictive value for the distinction between company and plant bargaining.

They attribute this lack of success to their method of gathering data. Multi-variate analysis of the kind they undertake is 'simply not capable of adequately identifying the forces of historical determination, institutional inertia and qualitative factors very specific to a particular company structure that are, at least, potentially relevant to an explanation of bargaining structure (1979:21).

With this statement they acknowledge how partial an explanation theirs is. They note (1979:4) that there are certain 'historical' and 'intangible' factors 'relevant to the determination of bargaining structure that one cannot hope to adequately proxy, much less measure, in any essentially large scale, statistical examination of the subject.'

Amongst these 'intangible' factors Deaton and Beaumont include the role of management. This suggests that if some kind of relationship does exist between situational variables and bargaining structure then it is not simply in one direction, but in two. Management may well be constrained by variables making up the situation they face. But they can also influence these variables themselves. Management have some element of choice, albeit often minimal, when confronted by their environment. This agency of choice must be included in any realistic model of the relationship between bargaining structural and situational variables.

(d) The Role of Management

If management is to be studied as an 'intangible' influence it may be considered important in two ways. First its direct impact on Industrial Relations. Second its more indirect effect, via 'non-IR decisions.'

It will be recalled that the evidence regarding the relationship between management and bargaining structure was conflicting. In some cases the two structures were consistent in others not. This is worthy of further study.

However the impact of management 'outside' of its formal structure must also be studied. This may be simply referred to as the exercise of management control. For example the structure of management implies that there are a number of levels which designate particular responsibilities. It may be that in any one case plant management controls a certain number of issues. For other matters he must consult with management outside the plant. However this is only the formal blueprint of what is supposed to happen. In practice group or divisional management may interfere in matters which nominally at least are plant management's responsibility. Similarly the advice that is given to plant management may not be advice at all. Since if it is disregarded there may be a number of personal repercussions.

These are therefore examples of the way in which management may attempt to control Industrial Relations in a way which is 'outside' or in addition to the formal management structure.

Another example can be quoted. Where plant bargaining exists there may formally be little contact between the plants. Yet in practice the senior managers of plants are likely to be in close

contact. This may be because of a past association or friendship. Such contacts are highly informal and outside the management structure yet may influence Industrial Relations directly.

In other cases management may use controls and procedures which are not directly connected with Industrial Relations but will certainly affect employment matters. For example management may attempt to alter the selection procedures in order to change the type of manual worker they employ. They may seek workers with many financial commitments who they feel may not take strike action readily.

These and other examples give an idea of the way in which management can influence Industrial Relations directly. However such controls and procedures are 'outside' of the management structure. These will be studied in greater detail in the cases which follow, and may provide eventually a more comprehensive and accurate framework of analysis for understanding the differences in Industrial Relations practice and activity between the four cases.

A second way management can influence bargaining indirectly is through decisions it makes on 'non-IR' matters.

When an organisation is being set up management make a number of decisions regarding products to be made, location of sites, size of plants and technology employed. There is evidently an element of choice here. Also in the long run there are occasions when these choices again appear. For example following a merger.

Therefore on certain occasions management will have some control over some situational factors. Although, of course, in the main these factors do act as constraints on managerial action.

It is important to realise who is making these decisions and the implications that this may have for Industrial Relations, Child

notes (1973:101) that these strategic decisions may be made by relatively small groups within the organisation who effectively hold power. These he refers to as 'dominant coalitions'.

The significance for Industrial Relations of this analysis is as follows. When these strategic decisions are made by this 'dominant coalition' it is likely that Industrial Relations will have a very low priority. Decisions will be taken on issues which are likely to seriously affect Industrial Relations, yet commonly little thought is given to these consequences.

The interdependency of plants is a good example. Management may decide to concentrate production of one component on a single site. Economies of scale may mean that this is a financially sound decision. However the Industrial Relations implications may be profound. A stoppage in this one plant may soon halt all production.

Other examples could be quoted concerning other situational constraints. But the basic argument remains unchanged. Management are constrained by, but are also able to influence the environment they face. These decisions are often in the hands of a small number of people. Usually such decisions pay very little regard to the Industrial Relations implications. Therefore Industrial Relations can be said to be highly derivative.

These 'non-IR' decisions may therefore set the constraints within which a decision to produce less of one product may mean that manpower has to be reduced. This is likely to have severe Industrial Relations consequences. If for marketing reasons a new plant is built overseas rather than at home the background against which Industrial Relations takes place may be affected.

Management are continually making decisions regarding production, investment, sales and marketing which will set the constraints within which Industrial Relations takes place. Management decides,

after taking into consideration the constraints they are faced with, what to produce, how and where to produce it and when to stop producing. These decisions vitally affect Industrial Relations. Thus many of the constraints affecting Industrial Relations are internally generated rather than externally determined. Bargaining structure, as just one part of Industrial Relations as a whole, is likely to be largely under the control of management, at least in large multi-plant organisations such as this.

Management are not therefore at the mercy of a hostile determining environment, but are able to make certain choices over particular variables on specific occasions. Also in the short term they are able to interpret the influence of certain of these factors. They may not be able to change them, but they can perceive and interpret them in a variety of ways.

For example management can stress the influence of particular aspects of their own environment to suit their own needs. If the importance of a particular variable is exaggerated this may give an air of inevitability about a certain structure or actions. Management's position is strengthened and given greater legitimacy since decisions may be rationalised more easily.

It may appear that management have 'no choice' but to make their decision because of the influence of a specific variable. Similarly an organisation structure may be rationalised by reference to certain external pressures on management. In Ford management argue that the interdependency of production between plants makes group bargaining inevitable. What they do not mention is that the group have chosen to organise their production in this way. The fact that other companies in the same industry organise in different ways shows that

this interdependency is not inevitable. In this case the method of production stems from the desire of the founder of the group to maintain over control of the group.

This example shows how management are substituting their own logic into the relationship between bargaining structure and situational determinants. This point is pursued in much greater detail in the case studies, and when the issue of effectiveness of control is considered. It must be stressed that this process is not inevitable. In fact it will be shown that this ability is a useful resource which management can use to bolster their legitimacy. It is significant that such a process does not always take place.

The true function of questionnaires such as that used by Thomson and Hunter is now evident. They are not evaluating the external determinants in any objective sense. Rather they are discovering the subjective perception that management holds of its environment. Thomson and Hunter are actually highlighting and demonstrating this process of legitimation in action. They provide the means for self-analysis in which management stress the variables which legitimate existing structures and actions. The subjective perceptions of situational determinants are revealed, rather than the variables which are 'actually' or 'objectively' important.

(e) Implications

Two points must be stressed about the foregoing section on the role of management. First the analysis applies to the cases being dealt with here. That is to say large multi-plant organisations

in the engineering industry. Many more extreme examples could be quoted where this analysis does not apply, for instance highly centralised or highly fragmented industries.

Second the impression may have been given that Industrial Relations and bargaining structure is all simply a matter of choice. This is not the case. The analysis above has aimed at restoring the balance of view. The result is that there is a need to combine the theories. Management is faced by a number of constraints, but is also able to have some influence on its environment.

Multi-variate analysis such as that carried out by Deaton and Beaumont provides only a partial explanation as they themselves acknowledge. The 'intangible factors' which they point to cannot be analysed adequately by their method of analysis. Such factors they point out are likely to be relevant to the company - plant distinction which they had little success. Therefore they suggest that their approach needs to be 'complemented by a series of detailed in depth case studies which are capable of picking up these sorts of idiosyncratic factors that could further enhance our understanding of the determinants of bargaining structure.' (1979:21)

The four cases presented below attempt just such a task. The remainder of this chapter examines the leads provided by this chapter which help to shape the analysis of the cases.

The implications of this chapter for the rest of the study are as follows.

First the bargaining structure was examined in detail. The interdependency of the dimensions of bargaining structure meant that the level of bargaining could not be studied in isolation. The result

is that an organisation should be seen as occupying a number of levels of bargaining. It is therefore both impractical and misleading to characterise Industrial Relations in a multi-plant organisation by reference to bargaining level alone.

However this expanded analysis of bargaining structure may itself not be sufficient for understanding the different characteristics of bargaining in the four cases. The emphasis on bargaining itself may still mask some of the crucial differences in the actual nature and atmosphere of Industrial Relations.

Second therefore the study must look outside the Collective Bargaining structure to evaluate the role that management play.

The impact of management on bargaining structure and Industrial Relations generally has been noted by a number of authors (e.g. Bain and Clegg 1975; Clegg 1976; Brown 1973). These authors stress the importance of management structure. In this case this means the roles of the various levels of management. But one must ask is this itself adequate? Management structure may be important but it is not the complete answer. For example there have been instances where management above plant level have intervened in issues which should formally be exclusively dealt with by plant management. It appears that management can use controls which are not congruent or consistent with their structure. Often these controls are of a very subtle or covert nature and can only be studied by means of case studies.

Work on the impact of management control systems was begun by Woodward (1970). Her researches indicated that control systems were an intervening variable between the technology of a plant and the resulting behaviour. This analysis was not completed and will be returned to below. Recent work on control systems has also been carried out by Purcell and Smith (1979) and Purcell and Earl (1978). This will also be pursued in later analysis.

A number of questions can be asked concerning management's involvement in Industrial Relations. What is the relationship between management structure and bargaining structure? Are the controls which management use outside its structure widespread? Can the study of management's involvement in Industrial Relations lead to a more complete understanding of bargaining in each case? Is there any way of classifying the controls which management use and of judging their effectiveness?

The final area of interest concerns the influences upon bargaining structure. It has been shown that cross-sectional statistical analysis is of little use when trying to distinguish between company and plant bargaining. This may point to a greater role for management. But the question to ask is what are the factors which influence management in their attempts to control Industrial Relations. Deaton and Beaumont pointed to the influence of such intangibles as history and management style. The cases below give an opportunity to assess the influence of such factors, and in particular the extent to which they are interdependent. An additional factor to be considered is the influence of unions. In particular union activity between plants within the same group seemed important. This must be systematically analysed to consider its impact on management. It is possible to consider whether union activity is purely reactive to management and bargaining structure or if they can actually cause management to change their actions and structures.

These are just a few of the questions which suggest themselves at this point. Many others will emerge in the case studies which follow. As suggested above the main aim of the cases which follow is to provide some qualitative data on the determinants of bargaining

structure and the role of management in Industrial Relations.

It is intended that this will tell the other side of the story to that given by the quantitative studies. As such it will complement the statistical data, as well as providing information available only from detailed case study research.

TABLE 2 : DIMENSIONS OF BARGAINING STRUCTURE

	FORD	ROLLS	TUBES	GEC
<u>BARGAINING LEVEL</u>				
GROUP	✓			
DIVISION				
PLANT		✓	✓	✓
<u>BARGAINING UNIT</u>				
MANUAL	✓	✓	✓	✓
STAFF		✓	✓	✓
LOCATION		✓		✓
<u>BARGAINING SCOPE</u>				
COMPREHENSIVE	✓	✓	✓	
DETAILED	✓	✓	✓	
<u>BARGAINING FORM</u>				
AGREEMENTS:				
WRITTEN	✓	✓	✓	
SIGNED	✓	✓	✓	
OPEN-ENDED				✓
FIXED TERM	✓	✓	✓	

TABLE 3 : SUBSTANTIVE AND PROCEDURAL ISSUES

	FORD	ROLLS	TUBES	GEC
<u>SUBSTANTIVE</u>				
WAGE STRUCTURE	*	x	x	x
WAGE INCREASES	*	x	x	x
SHIFTS	*	x	x	x
OVERTIME	*	x	x	x
SICKNESS	*	x	x	x
LAYOFFS	*	x	NA	NA
PENSIONS	*	*	*	*
CONDITIONS	*	x	x	x
EXPENSES	*	x	x	x
<u>PROCEDURAL</u>				
DISCIPLINE	NA	x	x	x
GRIEVANCES	*	x	x	x
DISPUTES	*	x	x	x
UNION MEMBERSHIP	*	x	x	x
APPOINTMENT OF SHOP STEWARDS	NA	x	x	x
SHOP STEWARD FACILITIES	NA	x	x	x
GROUP	*			
PLANT	x			
NO AGREEMENT	NA			

TABLE 4 : COLLECTIVE BARGAINING CHARACTERISTICS

	FORD	ROLLS	TUBES	GEC
<u>PAYMENT SYSTEM</u>				
JOB EVALUATION	✓	✓		
MDW	✓	✓		
PIECEWORK			✓	✓
INCENTIVE BONUS			✓	
<u>PROCEDURES</u>				
NATIONAL AGREEMENT		✓	✓	✓
DISPUTES PROCEDURE		✓	✓	✓
DISCIPLINE		✓	✓	
GRIEVANCE	✓	✓	✓	✓
OTHER	✓	✓	✓	
<u>NEGOTIATIONS</u>				
FORMAL	✓	✓	✓	
COMPREHENSIVE	✓	✓	✓	
<u>INTRA-PLANT DIFFERENTIALS</u>				
PAY				✓
CONDITIONS				✓
DAY-TO-DAY ISSUES	✓	✓	✓	✓
<u>INTER-PLANT DIFFERENTIALS</u>				
PAY		✓	✓	✓
CONDITIONS		✓	✓	✓

TABLE 5 : SITUATIONAL DETERMINANTS

	FORD	ROLLS	TUBES	GEC
<u>GROWTH</u>				
INTERNAL	✓			
EXTERNAL				
INTERNAL/EXTERNAL		✓	✓	✓
<u>SIZE</u>				
AVERAGE PLANT	2,500	5,000	500	1,000
HIGH VARIATION IN PLANT SIZE	✓	✓		✓
<u>TECHNOLOGY</u>				
HIGH INTEGRATION	✓	✓		
<u>PRODUCTS</u>				
HIGH DIVERSITY			✓	✓
<u>ECONOMIC PERFORMANCE</u>				
PROFITS HIGH	✓			✓
<u>GEOGRAPHY</u>				
HIGHLY CONCENTRATED				
<u>OWNERSHIP</u>				
FOREIGN	✓			
PUBLIC		✓		
PRIVATE			✓	✓
<u>MANAGEMENT STRUCTURE</u>				
GROUP	✓	✓		
DIVISION			✓	
PLANT				✓
<u>WAGE STRUCTURE</u>				
PBR			✓	✓
MDW	✓	✓		
<u>TRADE UNIONS</u>				
LARGE NUMBER	✓	✓	✓	✓
STRONG INTER-PLANT LINKS	✓	✓	✓	

PART II THE CASE STUDIES

INTRODUCTION

The following four chapters are case studies of large multi-plant organisations. They provide the data which is analysed in Part III.

Research in each case was carried out at two levels. First the group or division, and second at plant level. Two plants within each case were studied.

The first chapter in this section is a case study of Tube Investments (henceforth referred to as Tubes). Towards the end of this chapter a series of tentative hypotheses are put forward. These are used as a model for comparison with the following three chapters.

Each of the cases has a different bargaining structure. In fact following the first case the bargaining structures become progressively more centralised and formalised. This enables a comparative analysis to be made of the impact of bargaining structure on union behaviour.

Two other areas of comparisons are developed. Firstly the influences on the management control process. And secondly the impact of management structure on bargaining structure.

All three of these themes have been drawn from the previous literature and are investigated in this section.

The cases are examined systematically. First the nature of collective bargaining in practice is discussed. This attempts to

highlight what actually takes place, rather than simply what should. Second the control process used by management is studied. This is broken down into the various control systems that are employed.¹

1 In order to standardise references the following terms are employed: Control process: the collection of control systems used by management; control systems: these are either formal and permanent (control structures) or informal and temporary (controls). The use of the word 'systems' is purely as an heuristic device, and implies no attachment to 'systems theory'.

CHAPTER FOUR : TUBES

Research in Tubes was carried out at Divisional and plant level. Two plants were studied (referred to as AP and WL). Both of these were in the same Division (referred to as STD). Further details regarding the background to this group are included in the thumb-nail sketches in Chapter Two.

It is necessary initially to develop in slightly greater detail than previously the structure of bargaining in the two plants. This provides a background for the discussion which follows.

1 Collective Bargaining in Practice

It will be recalled that within Tubes the vast majority of issues are formally negotiated at plant level. Only pensions were settled at group level.

Within AP negotiations covering all five business areas are conducted at plant level. These negotiations are formalised for both manual and staff employees, with detailed written agreements covering most pay and terms and conditions issues. As a federated plant AP operates the national procedure agreement for manual workers. On most issues the manual unions negotiate together via a plant negotiating committee. This committee is at the top of a whole series of similar committees designed to deal with many day-to-day issues. The committee system for white collar workers is somewhat less well organised. Negotiations with these groups tend to take place on an individual union basis.

Bargaining in WL is also formally based at plant level. In this case both manual and staff unions negotiate separately. However for manual unions the agreements tend to be virtually identical. The agreements themselves tend to be written up and comprehensive. There is a tendency for many issues to reach plant level very quickly. Hence convenors and senior representatives often become involved with plant directors in quite trivial issues. The white collar unions are somewhat fragmented with a whole series of groups often within one union. This particularly applies to ASTMS.

Having briefly set the scene by recalling the bargaining structure in each plant it is now necessary to consider how this operates in practice. Two features seem to be of particular importance. First the variations in Industrial Relations practice that exist below the level of the plant. This was particularly evident in AP and results in an over estimate of the significance of the plant level for day-to-day Industrial Relations. Second the effect of managerial influence from outside the plant is examined. A number of examples are given which point to a much more important role for Division than is immediately apparent.

As previously noted above management structure in AP is divided into five 'business areas' depending upon the market faced. The rationale for this is that specialist skills (mainly marketing and selling) are required for each area. Accounts are prepared separately for each area so that individual financial performance can easily be measured. In practice this means that profits and losses can be offset against each other for the different areas.

Each business area has its own general manager, and a separate

management structure beneath him. There are a number of central functions which provide a service to each of these areas. These include Personnel, Finance and Engineering. Even with these centralised functions there is still a degree of duplication in the different areas.

It is important to note at this point that the organisation described above was set up from outside. Consultants and experts were brought in by Tubes to reorganise management structure. This point will be returned to below in the discussions of Divisional involvement in plant affairs.

A number of differences exist between the areas in the way Industrial Relations is conducted. In fact to all intents and purposes the business area is the most significant level for day-to-day issues. The vast majority of problems are settled within each area. Only rarely would a shop floor issue be taken to the plant negotiating committee. Therefore although each of the business areas operates the same set of agreements each area has developed its own customs and practices. Some of these variations are examined below. One would expect some differences in practice because of the variations in product. However the actual differences observed are over and above those that would be expected.

First, the operation of the bonus scheme. Although this is a site wide scheme there is a variation in the amount of 'slackness' between the areas. This is partly due to the fact that the bonus scheme was not introduced in a uniform manner. When it was originally set up two separate investigating teams were used and some of their standards differed. However aside from these historical explanations present day attitudes are also important. Individual managers had a good deal of discretion on this issue. For example a manager could

turn a 'blind eye' to practices which were against the spirit of the scheme so that earnings were kept artificially high. In some cases advancements in technology were not notified to work study. The result is that the same level of earnings does not correspond to equality of effort across the business areas.

Management attitude was also important in the second issue of discipline. There is a considerable variation in the application of the formal discipline procedure. Often this involved junior management and supervisors. Some of these may prefer to take a more personal approach while others may deal with these issues in a more formal manner. However within a single department there was often a common line. This may be because lower level managers may, perhaps only unconsciously, adopt the attitudes and individual management styles of their superiors.

Thirdly the committee system tended to operate in a very uneven fashion. Some of the committees in certain business areas would meet regularly and perform a useful function. Others seemed to have fallen into disuse, or become 'bogged down' in what appeared to the outsider to be very trivial issues. This variation in activity between the areas was often closely connected with the individual management style existing. Some managers encouraged these committees and thought them worthwhile, others took a more pessimistic view of their usefulness. However in many instances these committees were to an extent bypassed by informal and ad hoc meetings designed to short-circuit the procedure and deal with specific problems.

It is apparent from the above analysis that individual styles of management had a big influence on Industrial Relations in any business area. However it is important to note that these are only important because they have been allowed to be so. Management structure in AP

encourages differences between the business areas to emerge. Considerable emphasis is put on the line manager to solve his own problems. The Personnel Department plays a relatively minor role in day-to-day Industrial Relations. Its role is confined to dealing with issues that go through procedure, any major disputes that emerge, and conducting annual negotiations. Because of this individual styles of management have been allowed to emerge. Overtime a manager can run his department or area in largely the way he chooses. It is almost as if he is running his own business. This gives the opportunity for long established managers to build up their own 'empires' often enjoying substantial autonomy.

The result of this division of responsibility is a great deal of inconsistency in Industrial Relations practice between the business areas. For the majority of issues Personnel will not be aware of the actual decisions that are being made. They will only learn of these if a dispute arises, or if there is a grievance concerning inconsistency of treatment.

The emphasis on line management in AP contrasts with the situation in WL. Here as previously noted negotiations both formal and informal tend to take place at a high level. It was suggested to me that this was a deliberate policy followed by management. It appears that management at plant and Divisional level have taken steps to remove the variations below plant level as experienced in AP. Two changes have been made. First there was a reform of the payment system. This now covers the whole plant, and involved a common job evaluation programme. Second there has been an attempt to take away some of junior line management's discretion and raise this up to the level of more senior management. The result of this is to centralise

even day-to-day issues at plant level in an attempt to achieve consistency across the plant. One consequence of this is that there has been a change in the role of the Personnel Department . In particular the Personnel Director plays a much more important role in day-to-day Industrial Relations than was the case in AP. He is regularly involved not only with his colleagues, but also with convenors and senior representatives on even routine matters.

The result of these changes is that a relatively small number of people in WL are in virtual control of the business. For Industrial Relations this has meant a separation between the shop floor where most issues emerge, and the plant level where effective decisions are made. This has caused some ill-feeling especially among junior line managers and shop stewards who are not involved in the decision making. It should again be noted that this reorganisation was instigated by Divisional intervention, and will be referred to below.

It is evident that in AP the plant is not the most important level for routine Industrial Relations. The focus of activity tends to be below this leading to variations and inconsistency of practice across the business areas. In WL deliberate steps have been taken to avoid this with the result that virtually all issues have to be referred to plant level management.

The result in both AP and WL is that much union activity tends to be based at or below the level of the plant - something which management are very keen to emphasise and entrench. Shop stewards almost inevitably become embroiled in the minute details of everyday events. This is a consequence not only of the present day problems, but also of the historical development of the two plants.

In the past the two plants enjoyed considerably more autonomy

than they now possess. Both are old established companies. AP was established in 1899 and was one of the founder companies of Tubes in 1919. In the early days it was joked that Tubes was a part of AP rather than the other way around. WL has a similarly long history, and both plants have been well known in the locality and the industry from an early time. Each plant has been dominated in the past by a single family. In the past the plants were run in an autocratic and paternalist manner. This meant that from the earliest times the employees have come to identify strongly with the particular plant which they worked for.

In recent years Tubes has come to assert its control over the plants far more than in the past. However this does not appear to have had much influence on employee attitudes. In the main they have maintained a plant based parochial point of view. This applies particularly to those employees who worked during the time of greater autonomy. Often these employees look back on this time with reverence and now resent the interference from Tubes. This feeling is accentuated by the fact that many employees are still drawn from the immediate locality. In AP for example it is estimated that some 80% of employees live within five miles of town.

Thus in both plants the inward looking attitudes are at least partly a consequence of their own histories. Many shop floor employees may resent Tubes interference, but may be unwilling to do anything to challenge this. In both plants shop floor employees tend to be dominated by their own department or business area. Very few will identify with the plant as a whole. Identification with Division and Tubes was even weaker. One cynical viewpoint suggested that belonging to the Tubes group was only important when 'you want a cheap push bike or cooker.'

Parochial views of this kind were much less widespread with senior managers. Movement between plants had tended to weaken

attachment to any one plant, and increased identification with Division or Tubes as a whole. This is in marked contrast to the manual worker who may spend the whole of his working life in a single plant. Some managers, usually the older ones, may have stayed with one plant and worked their way up. The contrast of individual management styles and attitudes between these older managers and younger more mobile graduates was very marked.

A second factor which must be considered is the effect on Industrial Relations of interference from above the level of the plant. In Tubes it is the Division which has the biggest impact. Two examples are quoted below which demonstrate this influence well.

First, Division has intervened to reorganise management structure in both plants. Both AP and WL have experienced changes in the last fifteen years. The setting up of the business area structure in AP in 1964 signalled the beginning of much greater interference from Division. This increased intervention has accompanied a decline in the financial performance of AP.

Divisional involvement in WL came slightly later and took a more concrete form. Around twelve years ago a new mill was built on the present site. This involved expenditure of around £10 million much of which came from Divisional resources. Not only did Division provide much of the money, but they also sent in a management team for the commissioning phase. This event is often referred to as a watershed in the history of WL. Many recent events are almost automatically related to the coming of the 'new mill'. This is of course not necessarily the case since many of the changes may have taken place anyway.

However as noted above there were other changes. For example

site level bargaining was strengthened when the Comprehensive Agreement was reached in 1971. From the shop floor point of view this change represented a centralisation of previously fragmented bargaining. For management this was seen as a policy of decentralisation as this was combined with the move away from a sub-group of which WL was previously a part.

These examples demonstrate two important points. First changes in management structure seem to make changes in bargaining structure inevitable. Second these plant based changes must be seen in the context of greater Tubes involvement in plant affairs. To appreciate the significance of this a brief historical explanation is required.

Tubes was formed around sixty years ago as a protective organisation. From that time it has expanded both internally and externally. Until relatively recently neither the Group or Division has had much influence over the plants. In many cases, as shown in AP and WL, the running of the plants was left largely in the hands of a single family, who may well have founded the company. However by the early 1960s the control of the original families began to weaken and many of the plants had poor financial performance. At this point Tubes began to move in and assert greater central influence over the plants. This may have been either by reorganising management structure, or by providing additional investment funds. The increased cost of investment meant that there were many benefits to be gained from a central pool of funds. This was then allocated to the various plants depending upon their requirements.

A minor but significant point concerns the building of a corporate image by Tubes. This has been supported by an expensive advertising campaign. All the plants have been renamed with the 'TI' initials preceding the company title. This appears to be primarily

a marketing and public relations exercise. For example a product which is well known abroad will be associated with other products which are less well known simply by having at least part of a name which is common.

Tubes has therefore been forced to centralise its control over its subsidiaries as competitive pressures have increased and managerial expertise in the plants has declined. In the past when plants were taken over no attempt was made to harmonise rates of pay and other terms and conditions. Thus over time many differences have emerged and become enlarged between plants. This has happened at the same time as plant bargaining has become more formalised. The combination of greater centralisation of control and more emphasis on plant bargaining has brought the inter-plant disparities into sharper focus. This means that comparisons between plants on pay and conditions are not only encouraged but made easier.

Second, Tubes may intervene directly but covertly in the affairs of plants. This is especially the case when events in one plant may have repercussions for other plants. For example immediately prior to the research there was a strike in WL. Since this plant was a producer of material used in other Tubes plants the production loss was exaggerated. It was suggested to me by the plant convenors that for a time plant management was in control of the situation. During this early period other plants were not being seriously affected. However when the strike went into the sixth week Division was forced to put pressure on WL management to settle as quickly as possible. However it is unlikely that WL management would have been made to settle for fear of setting a precedent in the future.

As will be shown below this is only one of a number of ways in

which Division intervenes in plant Industrial Relations. A similar situation exists where concessions made in plant negotiations could have implications for other plants.

This increased Divisional involvement has not gone unnoticed by the trade unions. The effect has been to encourage inter-plant activity of various kinds. In some ways this is a questioning of the legitimacy of plant management authority. Manual and white collar unions have responded in different ways as shown below.

The manual unions have attempted to form a Combine Committee based upon the Product Division of which both plants are a part. The strength of this combine varies, but it covers most of the plants in the Division. It was emphasised by the Convenors that this Combine does not seek division or group level bargaining on all issues, its aims are far more modest. It is attempting to influence some decisions not directly connected with Industrial Relations, e.g. investment decisions, but which set the constraints within which Industrial Relations operates. This combine is based upon WL, a fact not unconnected with the high level of Divisional involvement in that plant. The combine began on a highly informal basis in the intervening time between the two periods of research in Tubes. Although nearly all the plant convenors from the Division are involved, the Combine does not enjoy the support of the AUEW. Management in all the plants have consistently refused to recognise the Combine for any issue. However this policy may actually strengthen the combine: the participants may feel that they are important enough to be ignored. The combine is still in a highly informal stage, and this may actually aid its effectiveness. All the convenors are in contact by telephone, and may hear of developments before plant management. Because of this

plant management may use the convenors as information sources, although not of course acknowledging the existence of the combine!

The combine has organised picketing of a number of Divisional plants when there was a dispute in a single plant. On the first occasion this took nearly six weeks to organise. The feeling amongst management in the plants was that this would take six days next time.

Despite this example inter-plant contacts were used in the main to improve the plant bargaining position. This is for a variety of reasons. Most of the problems that stewards face are at plant level. The majority of employees have an inward looking and parochial view: they have little concern for what happens outside their own plant. Also there may be a distinct lack of common feeling between plants in the same division - something which management will exaggerate if they can. Contacts may only be between convenors and they may not necessarily represent the views of the plant as a whole. The result of these obstacles to inter-plant co-operation is that management are able to maintain existing inter-plant differentials, at least for manual workers.

For white collar workers there is a slightly different picture. Much of this inter-plant activity is deliberately aimed at comparing terms and conditions between plants. Certain staff unions, eg. ASTMS and TASS have a high level of communication and contact between the plants. This is usually in the form of circulating information concerning negotiations and present pay and terms and conditions. Such information allows coercive comparisons to be made between plants on a wide range of issues. In the main these are confined to non-salary issues. Unlike manual jobs many white collar jobs are not easily compared because no universal job descriptions apply. Therefore comparisons tend to be on issues such as holidays, sick pay and expenses allowances. This is either via straightforward

comparisons, or via the provisions of Schedule 11 of the Employment Protection Act. It will be shown below that as a consequence of these comparisons Division employs a number of strict guidelines on issues which are easily compared between plants.

This inter-plant activity stems largely from the union officers. For example in ASTMS there is one Divisional Officer who has responsibility for Tubes in the West Midlands. Also there is a National Advisory Committee which is designed to arrange meetings to improve communications throughout the whole of Tubes. This situation can be compared with manual unions. Here inter-plant activity was dependent largely upon the activities of a small number of plant convenors. This may explain why white collar representatives in the plant do not make the best use of the information they have available. They too are preoccupied with plant bargaining and have little time for inter-plant issues. However potentially white collar employees as a consequence of their better sources of information may be able to improve their ability to make comparisons in the future.

As a consequence of divisional interference employee attitudes are in something of a confused state. Firstly they have a plant based loyalty resulting partly from their historical independence and present day problems. But secondly they have suspicions about the extent of Divisional interference leading to doubts about the authority of plant management. This combination leads to inter-plant activity as unions attempt to challenge managerial authority.

This discussion of manual and white collar union activity has been included to demonstrate the recognition at least of the role played by Division. Up until now this role has been described only in piecemeal fashion with isolated examples. In the section which follows a more systematic investigation is carried out.

2 Management Control of Industrial Relations

The previous section analysed and described collective bargaining as it takes place in practice. What follows is an outline of the various ways in which Tubes management seeks to regulate Industrial Relations. Most of the control systems analysed are demonstrated by reference to specific examples, many of which were mentioned in the preceding discussion. Additionally two further aims are included. First to show the relationship between union activity and the process of management control. Second to explain how the various control systems used have evolved over time.

Initially a description of the management structure in Tubes is built up. (Further details of which are given in Chapter Two.) This is then followed by an outline of the various control systems used by management, including those not directly concerned with Industrial Relations. Many of these control systems are supplements to the bargaining structure, and are designed to support it, and cope with the union reaction to it.

There are three effective levels of management structure in Tubes. Group level management includes the main board directors who have overall responsibility for the long run performance of the business. They have executive authority and are unlikely to be involved in short run issues. Below them are a series of Divisions based upon similarity of product. At this level there is functional responsibility for areas such as investment, finance and personnel. Again this level is unlikely to be concerned with day-to-day matters. Formally it provides a service for the plants within the Division and co-ordinates their activities where necessary. The third level is plant management with each plant

having a slightly different structure. In AP there are five business areas with various central services. Personnel here plays a relatively minor role in day-to-day matters, these being left in the main to line management. Management structure is far more centralised within WL. There is a small group of directors who effectively run the plant. The Personnel Director is included amongst these and he plays a significant role in the overall control of plant activities.

This description only really provides a skeleton of the management control systems employed by Tubes. It is essential to look at management control in action so that some flesh can be added to these bones. Beneath the structural surface the influence of the various levels of control is in reality quite different to that expected. Particular attention will be given to the influence of Division over plant Industrial Relations. However before looking at these control systems in detail their development can briefly be described.

The management structure described above has developed over time in response to a number of pressures. The growth in size of Tubes in terms of number of plants and diversification meant that no single control system was feasible. It was essential that some division of labour and specialisation took place; this led to the setting up of the product divisions. These developments can be discerned by looking at the shape of the organisation chart in Annual Reports from Tubes. However no sooner had this specialised structure been set up than centralised control over investment became necessary because of the cost of finance. Previously autonomous plants came more and more under the control of Divisional Boards.

Trade unions were not unaware of these developments. Two

changes in their behaviour were evident which together produced an increase in inter-plant activity. First the disparities between plants became more evident, and this encouraged coercive comparisons or 'leap-frogging'. Second doubts were expressed about plant managements authority, particularly when investments decisions were being obviously made at Divisional level. Manual unions have displayed the latter form of behaviour and white collar the former.

Tubes management responded to this activity in a number of ways which are explored below. Basically they attempted to reduce the potential for leap frogging and to protect the autonomy of plant management. Inter-plant activity threatened to undermine the 'sacred cow' of plant autonomy and management were not prepared to allow this.

Many of the control systems described below were purely ad hoc and reactive to union activity. It would be wrong to attach too much forethought or planning to management's actions. Often the controls are short lived simply to regulate a certain union activity which may last only several weeks. Each change of activity being referred to by management as the 'flavour of the month.' Other more long run changes may result in structural changes by management.

(a) Industrial Relations Control Systems

Divisional management operates a number of control systems which support the plant bargaining structure.

First Division provides a number of services to the plants. These include the provision of specialised information, advice on various matters and technical assistance, for example on legal problems.

Of particular importance during the period of research was the

help given by Division to plants when preparing submission to the CAC under the Schedule 11 provisions of the Employment Protection Act. Tubes had been subject to a barrage of these claims from ASTMS and TASS on non-salary issues.¹ Each claim was presented for a specific group of workers in different plants. Plant management often became engaged in the time consuming process of gathering information concerning terms and conditions in the local areas. The Divisional Personnel Department provided a good deal of help and advice. In fact because of the number of claims faced by Tubes Divisional management became very experienced in presenting their claims. Often they were particularly concerned about the repercussions for other Tubes plants when using a certain set of arguments in support of a claim. They were wary of setting a precedent that could be used elsewhere.

The second Divisional influence in this area was very much a consequence of the Schedule 11 claims noted above. In a number of specific areas Division lays down policies and guidelines. Policy statements tended to be concerned with minima. For example there was a requirement that worker participation committees were set up in all plants by a specific date. Although this was apparently a new departure for Tubes, this could signal the beginning of a trend.

Of greater significance to the present discussions are the guidelines that are laid down. Some of these guidelines were very restrictive with very little room for plant management to manoeuvre, while others were much looser. It appeared that it was those issues which were most easily compared between plants which were the most highly restricted. For example holiday entitlement, sick pay and expenses are easily compared between plants. These are of course

¹ TASS and ASTMS had used this tactic because of Tubes' refusal to negotiate formally over these issues at divisional level.

the very issues which the white collar unions were comparing with Schedule 11 claims. Eventually as a result of these guidelines and union activity these conditions became uniform throughout the Division. For other issues which were much more difficult to compare the guidelines were much weaker. For example the level of annual settlement was often left to plant management. It is true to say that with pay policy being enforced during the research period strict guidelines from Division were not required. Plant management would simply negotiate the best figure it could given its own particular circumstances. This practice tended to emphasise to employees that as far as the major terms and conditions were concerned each plant was autonomous. These issues provided management with an opportunity to display their freedom from restrictions, something which they rarely failed to take advantage of. In some respects this autonomy was quite genuine. However in other respects this was nothing more than an illusion. The exercise of selective guidelines was accurately summed up by one Industrial Relations manager. He said that he could negotiate a phoney productivity deal in his plant at considerable expense. However he dare not add one penny to the mileage allowance of his sales representatives. One issue was specific to his plant, whereas the other would have repurcussive effects on other plants.

Third, Division maintains very close contact with all of its plants. Information, statistics and gossip are continually being exchanged between the plants and Division. Regular contact is maintained by telephone. Industrial Relations matters will be discussed along with a whole variety of issues, some concerned with the performance of the plant, others not. There may also be visits to and from Division and a whole variety of meetings and conferences will be arranged.

A good example of this exchange of information was provided by the strike at WL. Divisional management were kept in constant touch with the developments in the plant. Similarly plant management were kept informed of the effect the strike was having on other plants.

The three control systems described above are to an extent ad hoc in nature. They are essentially reactive, designed to regulate short run trade union activity. Because of this they are likely to change in response to changes in union activity. However although they may alter in detail it is likely that they will not change in principle. Their basic function is to support the bargaining structure by regulating reactions to that structure. Controls such as these are required because of management's insistence on plant bargaining, despite having increasingly centralised control in other areas.

(b) Personnel Control Systems

The control systems now examined are somewhat less of an immediate reaction to union activity. Rather they appear to be part of a deliberate policy on the part of Division of attempting to control the activity of individual managers in the plants. These control systems are often in addition to those described above and may be used in combination with them. In the main they tend to be covert, and subtle, but none the less effective.

These control systems will be termed 'functional' or 'Personnel' control systems. They involve primarily control which Division exercises over the recruitment, selection, training, promotion and movement of managers. The increased resources devoted to these

controls are a good indicator of the expanded significance attached to Industrial Relations in Tubes.

Recruitment and selection of senior managers and graduates is controlled by Division. The 'best' candidates as defined by Tubes can be selected against a common scale. Graduates in particular are carefully chosen, and then placed on the management development programme.

Tubes also has a central training establishment which serves all the plants in the group. A variety of courses are offered from short courses for foremen to more sophisticated executive development programmes. While these did not take the form of attempts to 'brainwash' managers, these courses were designed to improve management skills and to improve identification with the group or division.

Division also maintains control over the promotion of managers. This control exists because Divisions have a series of rewards and sanctions which are essentially individually based. It must be emphasised that these are only attempts to influence managerial behaviour. While some managers may wish to tow the line, others may choose to ignore these controls. However any manager who did this and broke Divisional policy would be severely dealt with. In order to preserve the effect of this control Division maintained a record of the performance and personal characteristics of senior managers. This was often used in conjunction with the policy of encouraging mobility of management between the plants.

This policy was most marked with Directors. Since they were employed centrally by Tubes it was relatively easy to move them from one plant to another. For example if a vacancy should occur in a plant which demanded special qualities then it is likely that Division

would have a man ready to fit that role. If a plant was performing badly additional finance and marketing directors may be brought in.

This movement not only created a reserve of widely experienced specialised directors, but also encouraged the development of personal links between these directors. These would form the basis of an informal network of contacts which is useful for advice and gaining information. Company figures relating to the movement of managers revealed the following trends. The mobility of directors into and out of one plant doubled to 14% between the periods 1965-70 and 1970-75, whereas those promoted internally remained steady at 12%.

Movement among senior managers was also quite common. In both plants frequent references were made to the high 'labour turnover' of these managers. This would often contrast sharply with the long term attachment of shop floor employees to a single plant. Management generally were in fact seen as a 'Divisional resource.'¹ Although managers could not be forced to move all kinds of 'moral suasion' could be applied. In some cases the only way to gain promotion was to move between plants. Some managers, especially graduates would move quite regularly between plants. Each plant presenting an opportunity to broaden their experience. When asked which plants they had worked for some graduates would rattle off a whole list of plants often in different divisions. Often they had some element of choice as to where they worked.

Company figures show that for one plant between 1965-70 and 1970-75 the number of senior managers promoted internally fell by around a quarter, whereas the number promoted from within Tubes increased from 1% to 5%. These figures demonstrate a Tubes policy

¹ The consequences of this for managerial unionisation are considered in Part III.

statement on this subject, this stated that 'companies should be encouraged to look for alternative applicants using the sources indicated unless there is an outstanding candidate internally'. These sources include a central register of managers giving details of those suitable for promotion derived from a management audit.

It should be stressed that only rarely would these highly mobile managers be employed in Industrial Relations. This was usually left to someone with considerable experience of the plant itself. However this did not mean that those employed in line management failed to come into contact with shop stewards. In fact the Tubes graduate became notorious in his dealings with union representatives.

Three important points need to be made concerning these control systems.

First it is important to note that these two sets of control systems can be used in combination. For example the Industrial Relations controls could be strengthened by the potential use of Personnel control systems. If a manager failed to adhere to a guideline and this resulted in leap-frogging across the plants then his promotion prospects may suffer. Alternatively if a plant manager broke with Divisional policy causing a dispute he may not be given similar responsibility in the future, and be 'put out to grass.'

Second this combination of control systems may mean that an individual manager may have two bosses. He will be responsible to his immediate superior in the plant, as well as being subject to some form of Divisional control. If there is a clash of interest between these two bosses the manager may have to choose between which of the two he keeps satisfied. In the extreme the manager may serve the manager whom he feels has the biggest influence over his future career prospects.

Finally there is the concern for individual management style by Tubes. It appears that Tubes have recognised the potential influence of this and attempt to achieve some consistency of styles via its training programmes. This will of course only be an attempt, for there are many obstacles to achieving this. However the impact of a new manager joining an established structure can be quite marked. This would not only influence day-to-day events, but also more generally affect the style, pace and atmosphere which he created around him. This may be especially important where there are a relatively small number of Directors as in WL. A change of management such as this may take place if financial results are poor (as in AP) or if there is new investment (as in WL).

(c) Non-IR Control Systems

This term refers to control systems which are not directly concerned with Industrial Relations such as finance and production. However these control systems may influence Industrial Relations by setting a series of internal constraints which must be operated within. It appears that these control systems are becoming increasingly centralised in Tubes. For example the benefits of economies of scale mean that there is an increasing integration of production. Also the increasing cost of capital means that investment funds are centrally pooled. A number of specific control systems are recognised.

First there are financial control systems. Accounts are kept for each of the Tubes plants allowing Divisional management to keep a close watch on performance. Figures for each separate plant are not published. It appears that the extent of Divisional interference

is connected with the financial performance of the plant. Thus when a plant was performing poorly the degree of interference was increased. Although any plant in this situation would be under many pressures in any case, that from Division constitutes another one. The difference here is that Division can provide assistance if necessary. In this way it is conforming to the traditional role assigned to divisional organisations in multi-plant groups. During the research AP at one time made loans to Division, and at other times received money from Division.

The second important control system is the allocation of investment funds. Division has a reserve of funds which it can use for investment. These are on a scale which would not normally be available to a single plant. However the situation is not quite as simple as it would appear. Funds are often allocated on the basis of past and present performance. Particular areas for investment are identified and funds are channelled in that direction. These funds can not only be used to improve future performance, but can also be used to encourage improvements in present performance. Therefore to an extent plants are in competition for these scarce resources. Some plants may be starved of funds, while others may benefit, simply on the basis of present performance. Funds are not only allocated in the U.K. but overseas as well, and Tubes may choose to invest abroad rather than at home. Thus far from being the 'benevolent uncle' that its public relations material would suggest, Tubes uses its investment decisions as a mechanism of control.

One further consequence of Division control over investment was mentioned in an earlier section. Division provided much of the money to build the new mill at WL. This not only had a big influence on Industrial Relations at the time, but its effects can still be

recognised at present. The Combine Committee aimed at influencing investment decisions in Tubes was based at WL. This was probably because the employees in that plant had experienced at first hand the influence of Divisional control. Therefore the exercise of Divisional Control systems such as those described in this section may promote union activity, which must then be regulated by more controls.

To recap very briefly three different types of control systems are evident in Tubes. First there are Industrial Relations control systems which appear dependent on union activity and hence are largely ad hoc in nature. These are aimed at preventing effective co-operation by unions between plants. They include the provision of services, the communication of information and the selective use of guidelines.

Second there are controls over individual managers and include control over recruitment, selection, training, promotion and movement of managers. Because of their individual nature the effect of these control systems is very difficult to ascertain. However it is likely when they are used in combination with the previous control systems that their influence will be enhanced.

Finally there are 'non-IR' control systems concerned with finance and investment. These are aimed more at regulating plant performance as a whole. However for unions these may constitute crude displays of Divisional interference in plant affairs. This may lead shop stewards to question where effective decisions on a whole range of issues are being made, and to possibly challenge plant management authority. If this results in inter-plant activity this may require the Industrial Relations controls noted initially.

3 Conclusion

The major features of Industrial Relations in Tubes can be usefully summarised at this point. This will enable later chapters to make comparisons with these initial hypotheses.

Three features have been stressed: collective bargaining in practice; union inter-plant activity; the management control process. Each of these is recalled in turn below.

Two characteristics of bargaining in practice were stressed. First the variations in practice below the level of the plant. Second the inter-plant activity of the shop stewards.

The variations within a plant indicate that an understanding based upon formal level of bargaining alone may give undue significance to that level.

These variations were particularly noticeable in AP where the business area structure existed. Informally many issues were dealt with at the business area level rather than at plant level. Personnel would rarely be involved in day-to-day issues: these were settled by the line management and the stewards concerned. Each business area tended to develop its own culture and traditions. This was dependent not only upon the different products, but also on individual management styles.

Within WL plant level management had taken deliberate steps to prevent this kind of activity. Although largely successful this had resulted in a majority of issues becoming 'plant' rather than 'department' or 'shop floor issues'.

In this case therefore formal agreements over emphasise the significance of the plant level bargaining. In practice the agreements provide the background against which departmental actions and traditions are developed. The formal level of bargaining provided a poor guide to the conduct of day-to-day Industrial Relations. An analysis of informal bargaining over a range of issues reveals bargaining taking place at a number of levels.

In many respects the shop stewards and other union members were very parochial and inward looking. This was no doubt emphasised by the plant level bargaining. Certainly the members would often only consider themselves as part of a department, rather than a plant, let alone a major engineering group.

However many shop stewards were suspicious of the role played by the Division in Industrial Relations. Although lacking clear cut evidence they suspected some form of covert involvement by Division in plant affairs. They were also aware of the inter-plant differentials on pay and terms and conditions. The combination of these two factors was to encourage inter-plant activity.

Attitudes within both AP and WL were a confused mixture of plant based parochialism and division based inter-plant activity.

A variety of control systems were used by management when seeking their goal of control. These were a mixture of the formal and overt structures and the informal covert controls. As a consequence Division played a much more significant role in Industrial Relations than was evident from an examination of management structure alone.

Many of the controls used were to support the bargaining structure.

Often these were a direct response to some form of union inter-plant activity. There was therefore little conscious planning or strategy behind many of these controls. They were obviously only temporary in nature and designed to counter the particular inter-plant activity of the time. The controls were a result of the thrust and counter-thrust between management and unions.

An awareness of the significance of all the control systems used by management leads to one conclusion: that an analysis based upon bargaining structure and management structure alone is likely to be partial and superficial. This tends to concentrate upon the more obvious and visible elements of the management control process. A more comprehensive picture of management control is possible by considering all the control systems employed.

In some ways an examination of formal structures may underestimate the degree of decentralisation, while in other respects it may undervalue the centralised control. To an extent therefore for some issues one can speak of an 'illusion of plant autonomy'. In other words on certain issues the plants are not quite as autonomous as they appear. Despite this the image of comprehensive plant autonomy is emphasised either in an attempt to limit union inter-plant activity or for public relations reasons.

It is evident that management is in a far more flexible position than the structural picture would suggest. Day-to-day issues are settled on the shop floor giving an exaggerated element of decentralisation. Divisional involvement in plant affairs allows a degree of centralised control to be exercised. This is therefore something of a compromise position and the result of various conflicting

pressures placed upon management.

On the one hand there are demands for a degree of shop floor or plant autonomy. While on the other there are pressures for a more centralised form of control. The former demands may come from both shop stewards and plant managers. While the latter may be a consequence of the increasing cost of capital and the need to pool specialised resources.

Tubes presented a confused and ambiguous picture of the management control process. Some issues are plant based, others are department issues, while still others may be subject to divisional authority. This may be a flexible compromise position for management, but it also encourages inter-plant union activity. Shop stewards question which level of management actually has authority for the majority of issues. The shop stewards are inhibited from pursuing their questioning too far because of a lack of support and a preoccupation with plant based issues. These obstacles are themselves a result of the plant based bargaining structure.

Having discussed the evidence from Tubes the question to be asked is to what extent these observations are unique. Future cases will make comparisons with these initial findings in order to answer these questions. Contrasts and comparisons will be made in the same three areas as explored here: bargaining in practice; union activity; and the management control process.

CHAPTER FIVE : GEC

This chapter examines an organisation with a highly decentralised structure of management and bargaining. Two plants are studied in detail in this group : TC and MC. This case study has two specific aims. First to make a number of comparisons and contrasts with the original observations in Tubes. Second to examine different management and bargaining structures from those of Tubes in order to broaden the analysis. It will be demonstrated that although the details of this case are very different from those of Tubes many of the same principles apply. One difference which is important is that in this case management appear to have much greater control over inter-plant activity - some possible reasons for this are considered throughout the analysis.

The plan of the previous chapter is repeated here. First bargaining in practice is examined, followed by an investigation into the attempts by management to control this.

Following the initial examination of bargaining structure variations in the conduct of Industrial Relations below the level of the plant are studied. It is discovered that in some respects the bargaining level actually underestimates the extent of decentralisation which exists. However overall the bargaining structure is effective in restricting union activity to within the plant. The history of the plants and management style are both important in accounting for this.

Secondly the managerial attempts at controlling plant bargaining are examined. Briefly, these control systems are very different from those used in Tubes. The emphasis in this case is much more on

non-IR control systems. Industrial Relations management either has to work within constraints set by these control systems, or is directly influenced by them.

It will be apparent that management in this case plays relatively little attention to Industrial Relations. However despite, or perhaps because of this, management control over inter-plant activity is greater than in Tubes. Also paradoxically management occupy an extreme structural position, but they appear to have greater flexibility of action than in Tubes. These apparent contradictions are explained during the course of the chapter.

1 Collective Bargaining in Practice

This section looks firstly in some detail at the bargaining structure in the two plants (further information is available in Chapter Two.) Following this collective bargaining in practice is examined. Overall the fragmented and informal nature of bargaining in both plants is stressed. This is then related to management attitudes towards Industrial Relations and union activity.

As noted previously the vast majority of issues in TC and MC are negotiated at, or below the level of the plant. Only pensions are settled at group level.

Bargaining in TC is complicated by the fact that the plant controls a number of factories throughout the country. This research concerns only those plants in the Coventry area. There are four factories in this area and for annual negotiations on pay and terms and conditions they bargain together. This is referred to as

'location bargaining'. In other areas where there are a number of plants together similar practices have developed.

Across the Coventry factories there are very few written agreements or formal negotiations. Each bargaining unit, e.g. representing foremen in one factory, makes a separate claim and agreement with the central Personnel Department. This results in considerable duplication. The majority of issues are bargained over informally at factory or department level. For example the existence of a primitive piecework system means that many values are negotiated on the shop floor.

Bargaining in MC takes a very similar form. Although in this case there are some formal negotiations covering pay and terms and conditions. These resulting agreements affect not only MC, but also three other factories which are on the same site. These factories belong to other GEC organisations, but their work is totally unconnected with MC. However for formal bargaining purposes the site is dealt with as a whole. These negotiations are conducted with the manual unions on a joint basis, and with the white collar unions separately. In fact negotiations can take place with small groups within each white collar union.

A similar structure of bargaining exists in both plants: a relatively small number of issues negotiated formally at plant level, with the majority of issues informally agreed at shop floor or departmental level.

The nature of bargaining in practice will now be explored in greater detail.

It has been noted above that a limited amount of formal bargaining on pay and terms and conditions takes place across the four Coventry factories of TC. Most commonly this involves convenors

(or Senior Staff Representatives) from each of the factories and three members from the Personnel Department. Claims are based on bargaining units below plant level and are separately negotiated. To an extent management had little choice but to adopt this structure. In the past the factories in the local area tended to make comparisons on pay leading to leap-frogging. In order to avoid this as much as possible management varied the level of negotiations on issues that were being compared to cover all the factories. Inter-factory comparison is now much less prevalent. Convenors wish to maintain their own autonomy, and will only make comparisons when it improves their factory bargaining position.

Aside from pay and terms and conditions nearly all other issues are negotiated at factory or shop floor level. Two important issues settled below plant level are piecework values and work practices. Piecework values are usually negotiated between an individual, or small group of employees and the rate fixer. The Personnel Department stressed that they had very little involvement in piecework bargaining: this was the prerogative of line management. In particular Personnel were very reluctant to put piecework disputes into procedure. Consequently most piecework prices were settled on the shop floor. This of course led to an enormous number of variations in standards between the factories. In fact this inconsistency seemed to be a deliberate aim of shop stewards in the factories.¹ They were proud of achieving and maintaining inter-factory differentials. There was therefore to some degree competition between the factories to gain what factory based improvements they could. These variations in gains seemed to be linked with shop steward bargaining expertise and

¹ This may also have been a deliberate aim of management to focus activity at below the level of the plant.

differences in line management attitudes.

A similar situation existed with work practices. These were often negotiated, or more likely had grown up over a long period in each of the factories. Personnel management were rarely involved in negotiations over these issues, and would in many cases be quite unaware of many of them. There was no attempt at standardisation across the four factories. In fact given the small size of the Personnel Department, and the limited resources given to Industrial Relations this would probably prove to be an impossible task. All Personnel Management can hope to do is to eliminate the grosser anomalies that exist.

Many of these differences in custom and practice between the factories were not seen as fit subjects for comparison by shop stewards. These informal understandings and traditions were seen to be highly specific to each factory, and aside from basic terms and conditions issues stewards adopted a highly parochial point of view. In many instances the stewards would try to negotiate the greatest number of concessions for their own factory, and not be too concerned about what was taking place elsewhere. Indeed there was often an element of rivalry between the stewards as they attempted to maintain existing inter-factory differentials. This was particularly true of the convenors and senior stewards. The hierarchical position of these representatives was often in doubt, and this only encouraged their competitiveness. It is difficult to say whether this was a deliberate policy of 'divide and rule' on the part of management. More likely it was simply a consequence of the managerial neglect of Industrial Relations and the previous history of the factories.

In the past the four factories were far more isolated than they now are. One factory has only recently come under TC control. During the time before this a whole range of agreements were negotiated and

customs and practices developed which were quite independent of the other TC factories in Coventry. Despite coming under TC control this factory tries to maintain its autonomy and distinctiveness. The employees like to think of themselves as a little bit separate from the other TC factories. Consequently the stewards resolutely defend the gains they have made in the past.

These differentials between factories have been maintained partly because of the lack of contact between employees in the different factories. Although there were contacts between managers, there was relatively little communication between manual employees. This was despite the fact that the factories were only two or three miles apart.

Management negotiates at plant level only over those issues which are subject to parity claims, in the main pay and terms and conditions issues. Almost all other issues are settled informally at department or shop floor level. The majority of union activity is concentrated at or below the level of the plant. In effect this makes inter-factory parity claims very difficult to make, even if there was the desire to do so. Management are of course quite happy for this situation to continue. This policy is effectively one of non-involvement. Most routine problems are dealt with by line management; Personnel are only brought in to deal with potential disputes. This is 'fire fighting' at its most basic, and is a consequence of the emphasis placed upon managerial autonomy and financial performance by GEC. The highly derivative role that Personnel plays under this system seems to produce very few inter-factory parity claims. One might suggest that by giving little attention to Industrial Relations fewer problems emerge than if greater attention is given. It is almost as if having a large Personnel Department actually generates problems.

This is very much the situation in MC. Here bargaining takes place across a single site which includes other factories not directly

under MC's control apart from Industrial Relations matters. As previously noted bargaining is slightly more formalised than in TC, however the majority of issues are still settled informally at shop floor level. Again many of these issues involve piecework bargaining and work practices.

If anything the payment system at MC is even more confused and complicated than in TC. There are a variety of piecework systems in operation, however only a relatively small number of workers are on 'active' piecework. The rates of the majority of workers are tied to these earnings via their rates. Personnel management is rarely involved in the shop floor piecework bargaining, and hence many variations exist between the different departments. This inevitably allows all kinds of abuses to develop, from bending the rules to outright fiddles. Work practices highly specific to each department have been developed often without Personnel's knowledge. These have emerged for a number of reasons.

First the four factories on the site are engaged in very different operations. Two produce heavy engineering goods, another electrical products, and the fourth is a service organisation. Each of these has a very different history and set of present demands, yet they are all covered by the same agreements.

Second many of the people employed on the site had different backgrounds. Some had recently been moved there because of the reorganisation following the merger. Others had been employed since the war, and had experienced several changes of ownership. There was a contrast between the individual management styles of these different factories.

Finally there was little contact between the different factories despite being on the same site. This was partly a function of the

size of the site (around 180 acres) and also because of the different operations carried out in each factory. Even between middle management there were very few contacts between the different factories.

This situation is similar to that in AP. But in that case there was far more of a feeling of being part of a plant rather than being a single department. Comparatively speaking Personnel played an even smaller role here than in AP. One further contrast was the desire to make inter-plant comparisons. Stewards in MC (as well as TC) had almost no contacts with other GEC plants. Even though there was another GEC plant only a mile away from MC there was no contact at all. The stewards had no knowledge of what these other GEC employees were earning. Thus in these plants stewards were even more inward looking than in the Tubes plants. This seems to be partly a consequence of the lack of identification with the plant and the concentration of union activity at shop floor level.

The following section looks at the management control of Industrial Relations which has served to create this situation.

2 Management Control of Industrial Relations

Around one hundred and fifty people are employed at Group Head Office, and a variety of functions are represented. These include accounting, secretarial, legal, overseas, publicity and Personnel. There are very few organisation charts, those that did exist appeared to be for accounting purposes. In fact GEC appears to be the classic decentralised organisation with the plants enjoying a considerable degree of autonomy, and the group acting as a banker. This coincides very much with the professed philosophy of the group. Great stress is placed upon individual management and plant autonomy.

The small size of the central group management (there are only around twenty members) is reflected in the Central Personnel Organisation. Approximately twelve people are employed with three Industrial Relations specialists. Overall it appears that very little emphasis is put on this function within the group as a whole. For example there is no Personnel Director on the main board of GEC. This seems to be a consequence of the managerial philosophy which attempts to eliminate any 'non-essential' members of the organisation.

Both plants are part of a loosely held together Divisional structures. TC has a number of other factories in different parts of the country. MC is at the head of a Division which includes other plants which are for most purposes autonomous (there are some twelve plants in total). It must be stressed that this is not the kind of formal Divisional structure as found in Tubes. Although these were Divisional boards which met occasionally it will be shown below that they have a much lower degree of influence than in the previous case.

In particular their influence on Industrial Relations was negligible. Although each of these Divisions had a Personnel Director

they were very rarely concerned with plant based matters. Instead they adopted the wider role of monitoring Industrial Relations developments in their plants. This information would then be fed to the Group Managing Director. Occasionally they would become involved in a plant dispute, but this then only took the form of giving advice. In general they had close links with Personnel Managers in the different plants, from whom they gained a great deal of informal information. Links of this kind rarely influence day-to-day Industrial Relations. Certainly from the union viewpoint contacts of this kind were virtually 'invisible.'

All these links are characteristic of the GEC philosophy of extreme decentralisation. In many instances, and for Industrial Relations in particular this autonomy is quite genuine. However as will be shown below plant management had freedom to act, but this was within very tight financial constraints. As previously noted union activity seems to have been influenced by this. Certainly even in comparison with Tubes both manual and white collar activity between plants was very limited. This means that management in GEC are less concerned about controlling this inter-plant activity. As will be shown they require very few of the ad hoc informal controls used by Tubes.

In both plants Personnel play a minor role in the day-to-day matters. Their task seems to be confined to annual negotiations and to problem solving. Management structure within the plants is de-centralised. Within TC for example there are four product groupings within a single plant. These are highly specialised, and operate quite autonomously from the other groupings on routine matters. Each has its own accounts and financial controls. Management in these groupings is responsible for the development, engineering, manufacture and marketing

of its products. A number of functions are provided at plant level including Personnel, Training, Finance, Commerce and Research.

In MC there is a similarly high degree of decentralisation within the plant. In general the line managers have a great deal of autonomy and are held responsible for the performance of their own department.

When the management structure of GEC is examined in more detail a number of anomalies arise. First not only is central management very small but there is an almost complete lack of organisation charts. However this does not prevent the centre being in very close contact with a number of plant managing directors. Second the Group Managing Director has a very strong image and a well publicised philosophy. Yet this is a philosophy which stresses delegation of control and plant autonomy. Finally although financial control is seen as crucial, accounts are published only for the group as a whole and not for individual plants.

These and other anomalies prompted the management control from the centre over individual plants to be examined in detail. Briefly it is argued that on certain specific occasions group management is far more influential than it immediately appears. On these occasions management structure under estimates the degree of central control. Initially Industrial Relations and Personnel controls are examined, although it will be found that these are of only minor significance. Far more importance is attached to the role of 'non-IR' and in particular financial control systems. The development of these control systems is demonstrated by reference to the historical growth of GEC.

(a) Industrial Relations Control Systems

Industrial Relations control systems in GEC play a minor role in central control over the plants. However a number of areas can be mentioned: the provision of services; setting of policies; and intervention in disputes. One possible reason for the limited extent of these controls is the very restricted amount of inter-plant union activity with which management is confronted. Compared with Tubes it seems that the bargaining structure gives greater control over union activity.

First the provision of services within GEC can take a number of forms. The group may provide specialist advice and technical assistance on particular problems. This will also include legal advice. Also the group may examine some of the practices within individual firms. For example during the research Group Management was undertaking a survey of self financing agreements used in the plants.

The Group also monitors other routine information from the plants, for example the impact of changes in the National Engineering Agreement. Not all information collected will be through such formal channels, in addition plant managing directors may communicate information between one another. If a major problem arises contact is likely to take this form.

The degree of influence that the centre attempted to exercise over the plants in this way varied. Often this seemed to be connected with the group's estimation of the importance of the plant, and their knowledge of the Managing Director in question. Central management are very keen to stress that the plants do not have to get permission to do anything, yet they have to keep Group management informed. Obviously there is an element of playing with words here.

For example the word 'advice' can have a variety of meanings. It is often difficult to distinguish between keeping the group informed and getting permission. In practice the Managing Directors and senior managers are not going to do anything that will make them appear in a bad light to Group Management. Hence there is an expectation that the centre will be consulted on major decisions, and hence a kind of negative permission exists here. For example even GEC Managing Directors are aware that they cannot make major changes in the terms of employment such as the length of the working week. Although the plants have the ability to make such changes they realise that even in GEC comparisons would be made between plants.

Second, GEC issues a small number of policies and guidelines. Group management expects some vague overall consistency on matters such as the recognition of shop stewards. But as noted above they are quite willing to allow many differences in detail to emerge between the plants, and in fact may indirectly encourage these. It may be that this encouragement strengthens employee identification with their own plant.

Thus there are none of the guidelines of the kind seen previously in Tubes. This is probably because of the lack of union, particularly white collar, comparisons between plants. As will be shown below the constraints for Industrial Relations management tend to come from other sources. The very tight financial controls mean that plant management have to do everything possible to reduce costs. Guidelines are therefore indirectly set, because any sudden increase in wage costs would be monitored and then investigated by Group management. Therefore plant management in this case are not at all concerned about small increases in non-salary items as management are in Tubes. However the stringency of financial control systems means that a

phoney productivity deal such as is permissible in Tubes is out of the question in GEC.

Thirdly there is Group management intervention in plant disputes. In theory at least the plants were supposed to report every dispute that occurs to Group management. Obviously not all disputes are serious enough to be reported, but the main ones are probably recorded. Each week the Industrial Relations specialists at Group level compile an 'Industrial Relations Inaction Report.' This summarises the positions of various disputes within GEC. Often these will be discussed in detail by Group management. The plant managing Directors may be contacted to explain the situation in greater detail. If the dispute persists, or is felt to be serious then a meeting may be called involving Group and plant management, either at head office or in the plant. An example of this took place during the research, but as with most of these meetings there was little tangible result.

In general control systems of this kind were far less influential and direct compared with Tubes. This seems to be a result of the largely plant based union activity which is itself a consequence of adherence to plant (or below plant) level bargaining. GEC does not have to use strict guidelines of the kind seen in Tubes to supplement the control given by the bargaining structure. The control systems that it does use only tend to reinforce the image of plant autonomy.

(b) Personnel Control Systems

There are two types of Personnel control systems to be examined: the central employment of senior managers; and the attachment to a recognisable managerial philosophy.

Some three hundred Directors and senior managers are employed directly by the Group, and not by the individual plants. Senior management suggested that it was very unlikely that any of the plant Managing Directors would not be within this number. Many of the more senior Directors have been hand picked by the Group Managing Director. Often they will be in close personal contact with him.

Apart from contacts such as these there are very few of the functional control systems of the kind noted in Tubes. There was very little central direction of management. Graduates would be encouraged to move in a particular direction, especially the technical specialists, but there was not the career development programme of the kind used by Tubes. Contacts between managers in different plants were very unsystematic: often they were based simply on friendship or common interest.

There is one area of group influence affecting individuals which is stronger in GEC than in Tubes. This concerns management philosophy. As will become evident later GEC resembles Ford in that it has an easily identifiable and clear cut philosophy. Almost every manager interviewed was not only aware of this but adhered to it strongly. Plant management not only preached individual autonomy but practiced it as well.

This adherence to individual autonomy had quite severe implications for Personnel Management. Line managers were encouraged to solve their own problems if they could, and they would certainly be judged by the performance of their own departments. Often the interests of line and Personnel Management would clash. Personnel would be seeking consistency and attending to long run bargaining relationships. While line managers may be more concerned with solving immediate problems. Line management's wishes invariably came

first in these situations because they were being judged on whether certain targets were being met. This philosophy of individual accountability therefore seriously weakens the role of Personnel Management in the plants.

Apart from this strong management philosophy noted above, Industrial Relations and Personnel control systems are generally much weaker in GEC than they are in Tubes. However as is shown immediately below central control in GEC is far more indirect. The section below considers firstly why these controls have developed, and secondly how they are used at present. It will become clear that in GEC Industrial Relations is derived from other management control systems far more than in any of the other cases.

(c) 'Non-IR' Control Systems

Non-Industrial Relations control systems are far more dominant in GEC than in Tubes. In particular central control is examined through a series of financial mechanisms which strictly monitor plant performance. Before looking at these control systems in detail it is of interest to examine how these have developed.

The present GEC group was formed between 1967-68 when the original GEC group took over AEI and then merged with English Electric. These three groups operated in the same industry and often produced similar products. The aim of founding the Group was to eliminate much of the duplication and over capacity within the industry by rationalisation. This was one of a number of mergers which took place at the time organised and prompted by the Industrial Reorganisation Corporation. This was a government body set up to encourage mergers of this type and to improve productivity in British industry.

Each of the original groups was very different in its own way. AEI was itself a consequence of mergers between Metro-Vickers and British Thompson Houston. AEI was seen as something of an ailing giant with a high reputation in the industry but poor financial performance. English-Electric concentrated upon the 'heavy end' of the industry. It was by far the largest company but had begun to stagnate by the early 1960's. GEC was very different. Much the smallest group, it had grown mostly from within. Unlike AEI and EE it had enjoyed a spectacular period of growth in the late 50s and early 60s.

The three groups which came together in 1968 to form GEC had completely different backgrounds, cultures and structures. However it was the original GEC structure and philosophy which remained unscathed. Both AEI and EE were reorganised, indeed the whole group underwent a period of severe rationalisation. Many of the control systems used to carry out this rationalisation are still in use today.

The scale of the rationalisation programme can be recognised by the changes in numbers employed. When GEC was formed the three groups employed some 268,000. Present figures indicate that GEC now employs 191,000 of which 155,000 are in the U.K. In the three and a half years following 1968 a total of thirty two factories were closed, and sixteen were sold or were in the process of closure. During this period some 33,500 people were made redundant, and in total 60,000 were affected by moving or changing jobs. In fact during this period the labour force fell by 6.5% while sales rose by 15%.¹

Rationalisation also involved moving people about as well. In fact the general policy was to move people to where there was spare capacity or under utilised plant. This was seen at MC where three

1 Sunday Times 11 July 1971

sub-divisions of other plants were moved onto the MC site. Management and workers were moved about as factories were shut and duplication eliminated.

It is evident from the scale of the rationalisation programme that some form of central control and direction was used. Unless an overall picture of the newly formed organisation was seen then the movement of labour and resources on such a large scale could not have been possible. However the redundancies were so widespread that the centre could only indicate the broad areas and rough numbers that had to be 'lost'. Responsibility for the detailed planning was handed down to a small number of directors. These were put in charge of the major operating plants, and loose divisions of secondary plants were put under their control. Group management exercised detailed control over plant redundancies through these directors. Each of the directors was given considerable freedom to run their plants in the way they chose, as long as they met the targets which had been set for them. One of these directors was quoted in an article in 1971¹: 'I am decentralised from Stanhope Gate (Group Head Office), but there is very little decentralisation below me.' The director had close control over the plants : 'I had to control them in order to get the rationalisation done.' Another article in 1970² saw the role of these directors in a similar way. 'The directors function as arms of head office, keeping their fingers on conveniently related bits of business and relieving the Group Managing Director himself of a welter of detail.' These directors used very small staffs and relied mostly on personal contacts.

1 Sunday Times 4 July 1971

2 Management Today 1970:72

This rationalisation programme involved a very high level of central direction, with autonomy delegated down as far as the plant directors and no further. This pattern of control is still very much in evidence today. Although the main phase of redundancy is now complete the financial performance of each business is still under very close scrutiny. For example if a plant begins to make losses this will soon come to the attention of Group management. Further information will then be sought from the plant director. Based upon an analysis of present and past performance and future prospects a decision will be made as to whether the plant should continue in operation. In some cases this may lead to an increase in investment, in others plant closure. Examples of the latter still occur occasionally.¹

These occasional examples of 'control over rationalisation' display the control process which is continually in operation. Group management, and in particular the Group Managing Director are in constant contact with the plant Managing Directors. This is on a highly informal and personal basis, and is almost impossible to penetrate from the outside. Many of the Directors are known personally to the Group Managing Director and often subscribe to his management philosophy. It was suggested that the Group Managing Director personally chooses his Plant Directors, and takes the utmost care in doing so: for it is through these Directors that the business as a whole is controlled. If these directors follow the group philosophy they are likely to demand and achieve a high degree of freedom to act as they see fit. However it is they who are personally accountable for the performance of their plants and will do everything they can to improve financial results. It is possible to see these

¹ Financial Times 11 March 1978

Directors as the 'barons' with considerable power over their own property, but directly answerable to the 'king', the Group Managing Director. The philosophy of delegated responsibility can now be seen in its true light. It is in fact a 'curious mixture of tight and loose control' and 'A GEC manager is almost infinitely free to do well, and not at all free to do badly.'¹

The control process in GEC is now evident. Essentially very few people are involved. There is almost a complete absence of structure, and individual managers and directors are held personally accountable. It seems that GEC is a massive group run like a small business. The Group Managing Director has close contacts and good relationships with his Plant Managing Directors. He will not interfere unless they get into trouble, but if he does they will be held personally responsible. The Plant Directors are given the task of running their organisations as efficiently as possible and to have all the relevant information immediately available. The absence of Divisional Boards, as seen in Tubes, allows a highly personalised, informal, but nevertheless strong method of control to be exercised. The small number of people involved means that decisions can be made quickly, and it is very difficult to shift responsibility. Unlike Tubes with its complex series of structures and Committees, GEC is run like a small business. When asked whether his business methods had changed from the time when GEC was a much smaller organisation the Group Managing Director replied that it had not: 'I am still dealing direct with people who run the businesses. The main difference is that I have a lot more help now.'² This seems to be the key to the GEC control process. The separate identity of each plant has been maintained by the decentralisation of control, but alongside this a number of highly centralised control

1 Sunday Times 18 July 1971

2 Sunday Times 18 July 1971

systems are also used. An insight into the managerial philosophy can be gained from this statement by the Group Managing Director¹ 'I depend very much on the generals in the field, but they look to me for certain things - I should let them know what battles they are fighting. I should give them a sight of the enemy, provide them with reconnaissance reports of where they are likely to run into trouble. They also want more troops and more money, and they expect me to supply that too.'

The traditional argument employed to defend the decentralised structure is built around the diversification of products. However as has been shown this plant autonomy can be illusory on certain occasions. Moreover the managerial philosophy is sufficiently strong to justify the rationalisation programme. By and large the unions have accepted this justification. More often than not when faced with crude displays of central control they will try and negotiate the best terms they can, rather than oppose redundancy outright. This was well demonstrated at Woolwich where some 5,500 were made redundant. The unions were completely unable to organise opposition on a group wide basis. The Personnel Director at the time was quoted as saying that 'It is my impression that brotherly love does not extend far beyond the factory gates.'² The unions simply negotiated then generous redundancy terms. It appears that even in an extreme case such as this the unions are unable to oppose central control, they remain securely attached to the plant.

Group management is able to exercise considerable influence on plants via its control of investment funds, a control system which is publicly acknowledged. This control system is used in combination with those outlined above.

1 Counter Information Services 1973:17

2 Sunday Times 11 July 1971

Each year the plants have to submit a budget for the coming years' expenditure. Usually this takes place early in the year before the annual accounts are published in March. This is apparently something of a grilling session for the individual plant managing directors. Group management go through each proposed budget in great detail. The aim is to question many of the assumptions which are made in support of the budgets. Also comparisons are made with the previous years budget and the results actually achieved. If any of the proposals appear to be abnormal or unduly optimistic then the plant directors are closely questioned. The basis of the plant budgets take the form of a number of financial ratios which are collected by the centre throughout the year. In most circumstances when everything appears normal and performance is deemed satisfactory then the budget will be approved. Occasionally a plant's performance is unacceptable, and if the reasons given for this are judged inadequate then further action may be taken. As seen above this could result in management changes, redundancies or even closure.

This method of control via investment allocation is very similar to that used in Tubes. The main difference here is the formalised, almost ritualistic method of approving budgets. Within Tubes far less weight was attached to simple financial statistics, with a more long run perspective being adopted. However in both cases the same principle of group or division rationing investment funds to stimulate present plant performance was seen.

Within Tubes the exercise of this control was one of the main reasons for the combine activity. Despite even greater use made of this control system in GEC there was no comparable response from the unions. This is probably because GECs involvement was far less 'visible' than that in Tubes. When GEC does intervene it is on a massive scale which is explained away as the continuation of the

rationalisation programme. One further similarity between the two cases involves the distribution of investment between home and overseas. At the moment GEC like Tubes is investing vast sums abroad because of the 'lack of opportunity' in this country. This is contributing to the declining manpower employed in GEC. Trade unions are virtually powerless against the exercise of control on such a scale. Yet decisions such as these vitally determine the constraints within which they work.

The control over investment funds referred to above is backed up by regular information from the plants on financial matters. Although similar examples existed within Tubes the control system in GEC is more systematic. Great store is put by this financial data. The aim is to regularly monitor plant performance so that any deviation from expected performance is quickly noticed. It is likely that one or two months poor results would be allowed, but any longer then this may lead to investigation from the centre.

Six financial ratios are included in each months plant report.¹ These are: sales to capital; profit to sales; profit to employees; sales to stock; sales to Debtors; and sales to employees. These are compared with the previous year and with the projected budget. Sales and profits are taken as to two crucial results, with sales to employees taken as a measure of productivity. These ratios form part of an almost continuous flow of information from the plants to the centre. Not all the figures are challenged, only the anomalous results are usually investigated. In this way the centre is managing by exception.

The implications for Personnel management in the plant of this kind of financial control are not difficult to see. Because of GECs acknowledged policy of eliminating 'non-productive' functions Personnel

1 Sunday Times 18 July 1971

may be under almost continuous pressure to justify their existence.

The problem here is that the contribution of Personnel cannot be measured in quantitative terms, it is usually more qualitative.

Gains made by Personnel may be in intangible areas such as improved bargaining relationship. Personnel may attempt to demonstrate its activity in a more tangible form, for instance by the greater use of procedures and external conferences.

3 Conclusion

This concluding section has a number of aims. First to briefly recall the major characteristics of GEC. Second to use this material to make comparisons with Tubes. Finally to consider some of the factors which may account for the effectiveness of management control over inter-plant activity in this case.

Plant bargaining in GEC is highly informal and fragmented with few formal agreements. The majority of union activity was based at or below plant level. Personnel generally plays a minor role in routine Industrial Relations: their role is confined mostly to problem solving and negotiations at plant level. In general it is line management who are responsible for day-to-day matters, this gives considerable flexibility, but also promotes inconsistencies within the plant.

An analysis based upon the level of informal bargaining in GEC therefore seriously underestimates the extent of shop floor and departmental bargaining.

Management structure in GEC is also highly decentralised. Plant Managing Directors and individual managers have a great deal of freedom to run their plants in the way they see fit. However they have to work within a series of severe financial constraints set by Head Office. Also Head Office made investment decisions for the plants. This system developed following the merger which formed the present organisation and has continued through to the present.

Therefore it is evident that the management structure gives a very poor indication of the amount of central control that can be

exercised when required. It is as if central control is exercised through a highly decentralised structure of management.

When compared to Tubes management control of Industrial Relations in this case takes a very different form. Much greater emphasis here is placed upon 'non-IR' control systems. These constrain and set the limits within which Industrial Relations operates. These may directly influence Industrial Relations eg. a decision to make people redundant. At other times the effect will be indirect, for example when a new product is developed changes in technology may be involved. Hence Industrial Relations management may be implementing decisions and working within constraints which they had no part in making.

This relative weakness of Personnel can be related to the management philosophy within GEC. Management in this case, unlike Tubes, did not formally acknowledge the importance of Industrial Relations. Management policy for Industrial Relations in GEC was to have no set policy. For the purposes of this study this approach is important because of the unimportance attached to Industrial Relations. One consequence of this policy is that unions are preoccupied with plant or below plant level matters, and have little thought or opportunity to engage in inter-plant activity. It is difficult to say whether it is the low level of union activity which allows this policy to continue or that management policy results in this low level of activity.

GEC provides an excellent example of the narrowness of an analytical approach based solely on bargaining level. Such an approach would ignore the high degree of informal shop floor bargaining, and the occasional bursts of central control. In fact GEC seems to exhibit some extremes of management control. The vast majority of

issues are settled at shop floor level. However there are isolated examples of highly centralised control. This paradoxically suggests that because management in the plants have a high degree of freedom then some highly centralised authority is required to regulate their activities in the long run.

This contradiction can be explained by pursuing the logic of the policy of decentralisation. Each manager is responsible and accountable for those activities under his control. It therefore follows that the higher up the hierarchy a manager is the greater is this responsibility and accountability. Therefore the plant managerial directors exercise a good deal of control over their subordinate managers. These managers will be held responsible for the performance of their own departments. The plant managing directors in turn are accountable to the centre in terms of financial performance. Group management therefore controls the plants via the plant managing directors. Below this level the subordinate managers will be individually accountable even though in reality they have only limited freedom to operate. There is little delegation of authority below the plant managing directors, although accountability reaches to the most junior levels of management.

A number of other comparisons can be made between Tubes and GEC. In particular it appears that the latter case has a greater range of options open when solving problems. These can be dealt with either at shop floor level, or a group management level. This produces a much greater degree of flexibility for management than exists in Tubes. This is a useful resource for management, since it allows the implications of any issue to be assessed and the correct approach taken to deal with it. Management in Tubes do not possess anything

like this degree of flexibility. This is either because they are constrained by the formal control systems employed, or because they fear their actions will be challenged by union activity. In GEC despite the greater degree of flexibility this threat from union activity is present to nowhere near the same extent. A number of possible reasons can be put forward to explain this paradox.

Shop stewards are preoccupied with plant based problems, they have little opportunity to engage in outside activity. Also they are convinced that for the majority of issues plant management actually are autonomous. Those issues which they realise the centre controls, such as investment, they feel are completely outside their influence. This contrasts with the situation in the Tubes plants. The formal level of plant bargaining highlights inter-plant differentials. This has made easier the inter-plant comparisons which have been encouraged by a progressive centralisation of management control. Unlike the GEC case plant stewards are not convinced of plant management's autonomy and are quite prepared to challenge this.

The key to this appears to be the nature of the control system in the two cases. In GEC the plants are formally decentralised, yet work within highly informal central constraints. While in Tubes there are formal controls at Divisional level. Thus for the majority of issues unions in GEC feel that the plant is autonomous. In Tubes they feel that some control systems are exercised at plant level, while others exist at Divisional level. This leads to stewards to doubt the authority of plant management.

In GEC this image of plant autonomy is continually reinforced by an easily identified managerial philosophy. This not only stresses the autonomy of plants, but puts forward a series of reasons for this state of affairs. For example the philosophy insists that

plant autonomy is essential to stimulate productivity and because of the wide range of products. In Tubes the managerial philosophy is much weaker. It does not provide a continual justification for management's authority. Fewer references are made to the external determinants such as product market to explain away the existing structure. This lack of a strong philosophy serves only to encourage rather than restrain union inter-plant activity.

Management in GEC therefore have greater control over inter-plant activity despite, or perhaps because of, devoting few resources to Industrial Relations, and having no recognised philosophy. This appears to be because shop stewards in the plant have little desire to challenge plant management authority, and are in any case preoccupied with the problems generated by a fragmented and informal bargaining structure.

CHAPTER SIX : ROLLS

This chapter describes and analyses Industrial Relations in Rolls, an organisation with plant level bargaining. As in the previous case comparisons are made in detail with the original Tubes hypotheses. A number of similarities are immediately evident. Rolls resembles Tubes far more than GEC does as regards the extent of management intervention from outside the plant on Industrial Relations matters. The main difference being here that in Rolls it is Group Management rather than Division which is intervening. Rolls also demonstrates very well the importance of union inter-plant activity of the kind first seen in Tubes. For a variety of reasons which will be discussed below this activity (or 'read across' as it is known in Rolls) is a major issue. Perhaps because of the extent of this activity Rolls displays a variety of control systems found in several other organisations. Again although differences in detail exist, many of the original Tubes hypotheses are supported in this case.

In order to maintain the comparability of analysis the plan used in preceding chapters is employed here. First bargaining in practice is examined, and comparisons made with Tubes. Second the control systems that management employ to regulate this bargaining are examined. Comparisons are also made between the effectiveness of management control over union inter-plant activity. Suggestions are made to explain why both Tubes and Rolls have only a low degree of effective control.

1 Collective Bargaining in Practice

The stated policy of the Group is to have plant level bargaining. For the majority of employees and issues this is the case. However for certain specific units of employees e.g. nurses, bargaining is at group level, along with pensions for all employees.

In most plants the manual unions bargain together and the white collar unions separately. In theory there are a total of forty bargaining units, however this is not the case. Plants which are in the same geographical locality tend to negotiate together in a similar way to the 'location bargaining' seen in GEC. For example there are three plants in the Derby area and these have a common agreement. In practice therefore Rolls has around twenty eight separate bargaining units. This fragmentation of bargaining takes place against a background of highly integrated financial and production control systems.

As previously noted there are three plants in what is known as the Derby bargaining area. One of these is by far the largest employing 9,000 out of the 10,700 manual workers on the three sites. Bargaining is highly formalised at Derby. There is a formal Works Committee made up of twenty three representatives from all the sites, and in total there are over three hundred shop stewards. The agreements are very comprehensive and detailed. In fact the current manual agreement runs to over one hundred and fifty pages.

The staff unions bargain separately over salaries, but ASTMS and APEX have close links. TASS makes a deliberate policy of staying separate. On matters aside from pay there is a Joint Staff Union Committee. This deals with issues such as discipline, holidays, expenses and sick pay. Despite this co-operation there is often

considerable tension between the staff unions. There is also a whole range of other Committees at Derby including the Joint Consultative Committee, the Employee Relations Committee and a JPC & A.

The second plant studied, Leavesden also has highly formalised plant bargaining. Negotiations with manual unions are joint, although they tend to be dominated by the AUEW. Staff unions bargain separately over salaries, with often an element of conflict between them. There is some joint staff bargaining over holidays, hours of work and sick pay. Agreements tend to be very detailed and comprehensive. Again there is a range of committees including the Overtime, Manpower and Sub-Contracting sub-committees.

Bargaining in Rolls can be more fully understood by looking outside of the formal bargaining structures. Two aspects in particular can be studied: the differentials between plant and the bargaining in practice below plant level.

Perhaps one of the most noticeable points concerning bargaining in Rolls concerned inter-plant differentials. For manual workers pay there are a total of seven separate bargaining units. Despite the fact that each unit bargains separately there are not seven different rates of pay. Five of the units have around the same level of pay (including Derby) and the other two have another, and much higher level of pay (including Leavesden). These differences are partly a consequence of historical reasons, and partly a consequence of present day Group interference in plant bargaining.

The two plants presently at the top of the pay league have traditionally occupied this position. Both are in what can be regarded as high paying areas, and it is these local comparisons which have

been used as the basis for pay increases. Also until around twelve years ago these two plants were not part of the present Rolls organisation. Since that time shop stewards in these two plants have deliberately sought to maintain the differentials which existed at the time of the merger.

Management have tacitly recognised that these differentials could not be eliminated. They have instead concentrated on removing the much smaller differentials that existed between the other five bargaining units. So the attempt has been to isolate the two high paying plants, and to bring the others into some rough alignment. As will be shown below this pattern of differentials has been aimed at reducing the potential for 'read across' and has been achieved via Group Co-ordination of plant bargaining.

For other issues e.g. sick pay, a different pattern of differentials emerges. In this case Derby and Leavesden are at the top of the league, while all the other plants have a similar but lower entitlement. Other issues produce different patterns. With white collar employees there has not been the same degree of Group co-ordination. This may be because differentials are not seen as so important, or simply because it is more difficult to make comparisons between white collar jobs.

Any description of bargaining in practice in Rolls must take account of the context. All the Rolls plants have an integrated production system. Second there is a marked separation between production and engineering departments. Finally there are variations which exist between different factories on the same site.

The large research and development departments in Rolls are a consequence of two factors. First the nature of the product means that to be competitive Rolls must be at the forefront of technology.

Second Rolls has a 'tradition of excellence' which it does its utmost to preserve. The effect of this on employment figures is marked: in Derby there are around 11,000 manual workers, and approximately 8,500 staff.

The Production and Engineering Departments in Derby are kept very separate. They are physically separate and the factories themselves appear very different. Production is located in the original buildings which are almost seventy years old, while Engineering has recently built office blocks. Most of the white collar staff work in the Engineering department, and their problems are quite different from those of the largely manual (albeit mostly skilled manual) Production department. Yet despite this they both operate under the same set of agreements.

There are also differences in management attitude towards Industrial Relations. Many of the line managers in manufacturing have had long experience in dealing with shop stewards, and may well have been on the shop floor themselves. They therefore tend towards a conciliatory and flexible approach when dealing with shop stewards. Management in Engineering may not have this kind of experience, and in any case have to deal with quite different types of union representatives. These managers tend to see things in rather 'black and white' terms, giving little consideration to any compromises that may be available. This lack of experience, or lack of concern, can lead to more conflictual relationships with the manual workforce.

This division is in some ways exacerbated by the management structure at Derby. As will be shown Personnel Officers are assigned to particular line managers. Despite this the line managers have considerable freedom to act, resulting in many inconsistencies within the plant bargaining unit. This is encouraged by the lack of day-to-day contact between management on the different sites.

Differences also exist between the main site and the two smaller sites which make up the Derby bargaining area. Both of these sites are around twenty five miles from the main site, one employs 1,100 and the other 1,500. The smaller of these two, Mountsorrell was visited. As far as this site is concerned bargaining is centralised on the main site. Despite this a good deal of bargaining takes place on this site, to suit issues and conditions which are unique to it. Although management have a good deal of contact with Derby the majority of employees do not. There is a feeling of separation, and some resentment at being party to the Derby agreements. This occasionally results in industrial action being taken in Mountsorrell independently. In fact one union (TASS) insisted upon making its own agreements separate (but identical) from those in Derby. In summary there are many strains with a large bargaining unit such as the Derby bargaining area.

Another point concerns the reasons why Mountsorrell is part of the Derby agreements at all. The answer is based on geography. Mountsorrell is approximately equidistant from both Derby and Coventry. Earnings in Coventry are much higher than those in Derby. In an attempt to prevent comparisons being made with Coventry Mountsorrell has been placed in the Derby bargaining area. This is not only because of the effect that Coventry comparisons could have upon Mountsorrell rates, but also because of the 'knock on' effects. If rates at Mountsorrell were raised to the Coventry level, shop stewards at Derby may then begin to make comparisons with the Mountsorrell rates. Management have deliberately included Mountsorrell in Derby bargaining because of the comparisons that could potentially take place. This appears to be quite successful since employees at Mountsorrell see themselves as very separate from Coventry, although they may not identify with Derby.

A similar example of management shaping the bargaining structure for its own purposes exists in Derby. One factory in the area (referred to as RR & A) has recently been excluded from the Derby bargaining unit. This plant is engaged in a quite different higher paying industry to the other Rolls plants. Following a recent successful Fair Wages claim RR & A was removed from the Derby unit to try and discourage comparisons from taking place. So far this manoeuvre seems to have been quite successful. These are therefore two examples of management altering the bargaining structure in an attempt to prevent comparisons from being made, both so far successful.

Collective Bargaining in Leavesden takes a somewhat different form. The majority of the 3,200 employees work on one main site, although there is another geographically separate plant some miles away within the same bargaining unit. Unlike Derby bargaining here is somewhat fragmented. This is largely a consequence of divisions within the union side. There is a good deal of ill-feeling between both manual and white collar unions for reasons I was not able to discover.

These divisions are however encouraged by the small size of the Personnel Department at Leavesden. Since only three people are employed it is virtually impossible for them to be involved in routine affairs. This small size may be something of a reaction against a previous outbreak of 'empire building' which resulted in a dramatic expansion in the size of the personnel department.

Shop stewards and staff representatives within Leavesden are generally very inward looking. There are two main reasons for this attitude.

First in the past fifteen years Leavesden has experienced three

changes of ownership. Also there is the feeling amongst employees that the plant is continually under threat of closure. It was suggested that the plant was only kept open because it possessed an airfield which was useful to Rolls. As a consequence of this there is a very low level of attachment to Rolls. Unlike the other plants, particularly Derby, the employees did not identify with the history and tradition of the organisation. Some people still consider themselves to be employees of the original owners of the plant, de Havilland. This feeling of separation is also encouraged by the fact that Leavesden manufactures a slightly different product from those in other Rolls plants. In the past this meant that Leavesden had its own Board of Directors. However this was disbanded in a reorganisation some three years ago.

Second the parochial attitudes are also designed to protect plant employees interests. As previously noted pay and conditions in Leavesden are amongst the best in Rolls. Shop stewards are not going to make comparisons with other plants that will put this position in danger. They will co-operate with the Combine, but they will not push for group level bargaining because they have nothing to gain from such an arrangement. The shop stewards are proud of their positions at the top of the league and will not do anything which will narrow inter-plant differentials. There is little point in making inter-plant comparisons at Leavesden because they have little to gain and everything to lose.

Existing inter-plant differentials therefore act as an effective obstacle to combine activity. There is one further barrier to such activity which is very noticeable in Rolls. There is a good deal of ill feeling between the plants for largely historical reasons. Because Derby was the original plant it is often criticised for taking an elitist and independent attitude. This is also reinforced

by the fact that Derby as the main assembly area is the site which everyone associates with Rolls. The convenor at Derby is also criticised for his non-militant attitudes which contrasts markedly with attitudes taken in some other Rolls plants. The convenor at Derby is personally disliked by some of the convenors in other plants.

The result of this friction is that there is reluctance to engage in Combine activities. Or, if combine meetings are arranged they may take place without the Derby representatives attending. Even when an issue emerges which affects all the plants, such as a lock out, it is very difficult to get any concerted action. This is not of course to say that inter-plant activity does not take place. But much of the activity which does take place lacks direction and co-ordination.

Inter-plant differentials exist in Rolls for largely historical reasons. However these same differentials and problems of organisation create divisions between the various plants. This is something which management recognise and will entrench whenever they get the opportunity. However this is not simply a policy of divide and rule by management, for the tactics involved are far more subtle. Management aims to maintain a balance between centralised control and plant autonomy. It will pursue divisive policies only to the extent that they do not harm overall control. For these reasons Rolls gives perhaps the best demonstration of Group co-ordination of all the cases. It uses a wide range of control systems which permit centralised control and variations between plants as a matter of deliberate policy. Rolls seem to have been forced into this compromise position because it faces conflicting pressures. The nature of the product demands centralised control yet there are obstacles to group level bargaining. The main difference between Rolls and Tubes is that the former

openly acknowledges the need for some form of co-ordination whereas the latter does not.

The various control systems used by management in Rolls are analysed below. On the whole it is evident that plant bargaining exists alongside centralised control over non-IR Personnel and Industrial Relations matters.

2 Management Control of Industrial Relations

This section looks at the control systems used by management to achieve control over Industrial Relations. As in Tubes the bargaining structure does not eliminate union inter-plant activity. Consequently management use a series of control systems which support and supplement the bargaining structure. Once the management structure has been described, the Industrial Relations, Personnel and 'non-IR' controls are then examined in detail.

Although both Rolls and Tubes have a divisional structure the former is very different to the latter. The main contrast is the number of divisions. Whereas Tubes was made up of many divisions based on product Rolls has only two. One of these, the Aero Engine Division, is by far the largest accounting for some 90% of employees (52,000) and 85% of group sales. The second Division (Industrial and Marine Division) has only one plant at Ansty near Coventry. In the larger Division there are ten different plants.

One further contrast is between the degree of plant integration. Whereas there is limited integration in Tubes there is a highly integrated system of production in Rolls. Most of the plants produce components which are then assembled in three major centres. Figures given by the company suggest that a relatively small number of people are actually engaged in the final assembly of the product - some 13,000 out of a total of 52,000. The remainder either manufacture components or are engaged in research and development. Because of this high degree of integration Rolls is far more of a single group than is Tubes with its many Divisions which are themselves run like separate businesses.

Group head office is located at Derby where some 345 people are employed. A whole range of functions are represented on the Main Board here including: Engineering; Commercial Services; Finance; Product Assurance; and Personnel. Also the heads of the three assembly centres are at Derby. These assembly centres are actually located at Derby, Bristol and Leavesden. In theory each of these centres has the capacity to design and manufacture a complete engine. In practice this rarely happens because of the technical integration that exists between plants. But this does mean that these three centres have a number of supporting functional departments. The other plants do not have these because they are far more simply manufacturing units supplying these assembly centres. In these plants research and development staffs are much lower compared with the assembly centres.

The Personnel Department at Group level is really very small. There are only two specialists involved in Group Industrial Relations issues. However as will be described they have an effective backing.

The Board of Directors at the Derby plant includes the following functions: Engineering; Commerce; Manufacturing; Product Support; Finance and Personnel. Below this is a series of Work Centres and Product Centres, each with its own management structure.

Personnel and Industrial Relations Staffs are organised separately at Derby. The Industrial Relations department is highly specialised and is concerned with formal negotiations and providing advice to line management. The Personnel Department provides all the normal functions with one addition. There are a large number of Personnel Officers who work closely with the line managers. Their task is to provide help and assistance on routine matters, while attempting to achieve consistency with their central plant contacts.

The Leavesden management structure is far more straightforward. But since this plant is one of the three assembly centres it has the functional departments it might not have if it was simply a manufacturing unit. As a consequence of this and the different product Leavesden has slightly more independence from Derby than the other plants. The board at Leavesden includes the following: Engineering; Manufacturing; Finance; Product Support; Commercial and Personnel. A very small number of people are employed on Industrial Relations, with only two full time specialists.

Management structure throughout Rolls is highly complex, many responsibilities are unclear, and communication channels take devious routes. It was suggested that because of the Government takeover in 1971 that Rolls had begun to take on the appearance of a Civil Service Department. But surely no Government Department has such a confused and vague management structure.

The range of control systems operated by management in Rolls are now examined in detail. However before these are examined they must be placed in the historical context of the group.

In 1967 the present day Rolls group was formed when the original Rolls group merged with a competitor. Both of these parties to the merger have long history and traditions. This goes some way to explaining why the merger seems to have made no great initial impact. Unlike GEC there was no programme of reorganisation and rationalisation. Despite the merger the two organisations maintained a great deal of their autonomy. This lack of integration may also be a function of the product. The product life of an aero-engine is usually around

fifteen to twenty years, and it is not possible to make changes without changing the product.

One development that did force some change was the groups bankruptcy in 1971. On being taken over by the Government Rolls was forced to adopt more centralised control systems over finance and production. This eventually led to an increasing centralisation of control and a reorganisation of management structure to its present form in 1975. Within this new structure the old organisation can still be recognised.

In other ways the bankruptcy has increased divisions within the group. For example there was a feeling among non-Derby workers that it was the Derby plant that went bankrupt and not them. These other plants resented what they felt was Derby dragging them down.

There were some Industrial Relations implications of these changes. Increasing central control meant that the previously autonomous plants now became more integrated. For example work would now be moved about between plants depending upon the specialist skills available. There was therefore a greater feeling of being a part of a single organisation, even though there were still divisions between the plants.

During these changes formal plant bargaining remained. One change in 1970/71 involved moving from PBR to MDW. This had the effect of simplifying the pay structure in each plant. For the first time the rates of pay in each plant were now clearly visible and calculated on the same basis. This meant that comparisons on earnings between the plants, encouraged by the increased central control, were now made that much easier. It was now possible to compare like with like, rather than like with unlike. The effect of these changes was therefore to encourage union inter-plant activity. Industrial

Relations seems to have been left out of this process of centralisation and this has necessitated a system of Group Co-ordinated plant bargaining in an attempt to restrain union activity.

One further factor has been important in the development of this system. Over time the differentials between the plants grew very large. This took place to such an extent that the management could not afford to have group level bargaining although it would have fitted in logically with the other changes taking place. The main problem here was the inevitable process of levelling up that would result in a move away from plant bargaining. Management felt it would be more economic to maintain plant bargaining, despite the 'read-across' that was likely to ensue. Plant bargaining also matched the aspirations of most shop stewards, especially those at the top of the earnings league who wished to maintain their position.

(a) Industrial Relations Control Systems

The most important control Group has over plant Industrial Relations is in negotiations. This may take a number of forms.

Group Management have a number of guidelines which must be adhered to by plants during negotiations. As in Tubes the strength and nature of these will vary. However as previously they tend to be strongest when issues are most easily compared between plants. However these tend to be more comprehensive than in Tubes because they are part of a programme for the harmonisation of manual and staff conditions of service such as holidays and sick pay.

Guidelines also exist for pay as well as conditions. One issue of particular importance is manual pay. It was noted previously that although there were seven manual bargaining units there were

roughly only two different levels of pay. The group wide pay picture has been simplified and brought into line in an attempt to eliminate the potential for read across by means of these guidelines. For different groups of employees and different issues a different pattern emerges.

A third example concerns the introduction of a uniform percentage increase across all the plants tied to a Productivity Agreement. Group management decided upon the size of the increase (10%) yet left the details of each agreement to be negotiated in each plant. The plants could bargain in the context of their own situation, but also within the constraints imposed by group management.

Aside from the use of formal guidelines group management may also use a number of other means of controlling read across by co-ordinating bargaining.

Throughout negotiations group management will keep in very close contact with the plant. The main purpose of this is to keep well informed of possible disputes that may develop. Disputes over pay do not usually develop over the size of the increase, which stewards accept is laid down centrally, but over the implementation of the agreement. One example took place during the research and was a consequence of the different settlement dates. The result was that one plant came under the 5% Government guideline while most of the others had settled under the 10% rules. In effect this meant that the first plant should have received less than the others. This led to a strike lasting two months.

This strike was a good example of the problems of negotiating plant agreements co-ordinated from the centre, but without synchronised pay dates. Without synchronisation there will always be plants that settle first, while others settle last.

During this dispute group management were very careful not to intervene overtly in the plant. In fact they went to extreme lengths not to show their hand and undermine plant managements authority. Any direct intervention would emphasise the role of group management, perhaps leading to a union refusal to negotiate with plant management. Although the policy and tactics of local management were dictated by Group this could not be openly acknowledged. If outside intervention was overt this had to be perfectly timed. Management are in effect playing a trump card which should not be wasted.

This tactic of not undermining plant autonomy was part of a wider policy of boosting the image of local management's freedom whenever possible. This was very important for certain plants, e.g. Scottish, which were very inward looking and would bitterly resent any intervention from outside.

Group level co-ordination of this kind has to be backed up by efficient channels of communication. These take a number of forms.

First there are formal mechanisms for communicating a whole range of statistics concerning Industrial Relations. Although a variety of issues are covered most attention is given to pay and terms and conditions figures. Each plant continually updates this information which it supplies to Derby. Group management then disseminates this information in the form of tables and charts to the other plants. This kind of information is essential if parity within the two established levels of manual earnings is to be maintained. Each plant manager will know exactly where he stands in relation to other plants.

Trade unions, especially white collar unions, also have good sources of information. In some cases this may be the same as management's, although on other occasions this may be of a more informal nature.

Besides purely statistical data there are many other forms of communication between the plants and the centre. Much of this is informal and via the telephone. Through these channels a whole mass of information, gossip and rumour is circulated. Because there is so much detail to communicate Group cannot keep up with the developments in detail for each plant. Industrial Relations management at the centre tend to concentrate their attention on a number of crucial areas which they feel may develop into a dispute. These 'hotspots' may involve very detailed issues which would otherwise be missed if some kind of selection did not take place. It is well known that disputes can develop over minute details, and because of the implications that a dispute can have for other plants it is essential that the centre keeps a very close eye on developments. Usually these 'hotspots' tend to go in cycles. Issues and plants will become important for a short while, and then fade away. This may be because the problem in a single plant is solved, or a more general problem affecting all the plants becomes more important.

If a dispute does arise then these communication links will be strengthened. However as noted previously Industrial Relations Management at the centre may be very loathe to show their hands in the plants. They may be under pressure to do so however, from non-Industrial Relations management at Group level. These managers may not be aware of the potential Industrial Relations repercussions of undermining plant management autonomy, and may therefore press for direct intervention from the centre. Industrial Relations management will refuse to do this, and will continue to play the subtle game of maintaining the delicate balance between central control and plant autonomy.

Industrial Relations Management at the centre will however keep Group Management closely informed of any potential disputes. In

effect this matches the central control that exists in other areas such as production and finance yet in an informal manner. The result is that three or four senior directors in Rolls have a good grasp of the overall performance of the business in terms of finance, production and Industrial Relations.

This central co-ordination enables contacts to be maintained with National Union Officials. For example during a dispute discussions may take place at national level which may result in pressure being applied to shop stewards from union officials.

Many other links existed between the plants and the centre. These may be based upon friendship or common interest. If people have worked together in one plant they may keep in contact when in different plants, perhaps as a source of information and advice. It was suggested that information gathered via these informal contacts was far more accurate than that gained through the formal channels. The likelihood of these contacts existing is increased by the movement of management between plants. This is one of the control systems used by central management which is described below.

(b) Personnel Control Systems

Many of the Personnel Control systems that exist in Rolls are similar, at least in principle to those in Tubes. Central management attempt to control the recruitment, selection, training, promotion and movement of subordinate managers within Rolls. This is backed up by a group based record of individual management characteristics and job vacancies. As previously the attempt is to exercise functional control over individual managers. Often these will be used in

conjunction with the Industrial Relations control systems noted above. However it is the movement of management in Rolls which seems to be the key to these controls.

In Rolls there is relatively little movement of managers between the plants, most of this movement takes place between the plants and the Group. In fact Rolls seems to regard Derby as some kind of 'finishing school'. A normal career pattern would be for a manager to join one of the plants. He may then move to Derby if an opportunity arises, and be given specific training. This may last for two-three years, and he will then move out into the plants.

This 'patterned' movement of management is often resented in the plants. It will be recalled that many of the plants look to their previous rather than present owners. The long serving employees may resent younger managers coming and going simply to get some training. This opposition has restricted the movement of management to less than it might otherwise have been. This has also been limited by one further factor.

Many of the plants see Derby as the centre of this movement of management. They feel that the training given there will be for problems at the centre and using the 'Derby' philosophy of management. The skills learnt at Derby may not be applicable elsewhere because different attitudes and problems may exist in the plants.

For example this movement of managers came under criticism from the long servers at Leavesden. Reference was made to the 'high turnover' of managers, and to the 'Empire builders' who used the plant for their own purposes and left. Over time 'Derby managers' had gained a reputation which produced conflict with the Leavesden managers.

This resentment towards Derby covered not only the movement of managers but also other control systems as well. It was felt

that many of the policies and guidelines emanating from the centre were drawn up by people whose experience and knowledge of present day problems were dominated by Derby. Many of these policies could not be easily applied to other plants with for example a far more militant workforce.

This had a number of consequences. First 'Derby' solutions could not always be easily applied to problems in the plants. Second outside interference from the centre was highly visible in the plants because of this inapplicability of policies, or because of a clash of managerial philosophies. Finally this could lead to a wholesale rejection of 'Derby's' influence by plant management. This could also explain the union conflict between the plants and Derby. Since the convenors were closely identified with management at Derby they were treated with the same resentment as management. The resistance was against Derby influence over the plants whatever form this took, that is whether from the management or union side. Conflicts such as this, largely based on historical differences, seriously weakened the strength of the combines.

(c) Non-IR Control Systems

The final series of management control systems concerns non-IR areas. These may seriously limit Industrial Relations in a variety of ways. However before looking at these in detail the context of these control systems should briefly be noted.

As a member of the NEB Rolls must be able to demonstrate it has overall financial control of the group. It must be in touch with all developments that will affect financial performance. It is for

this reason that uniform financial control systems have been introduced. Second the nature of the product is important. The product itself is very complicated involving the assembly of literally thousands of components. These parts must be produced on a massive scale and assembled in three major sites. Fourthly there is the high level of research and development that takes place in Rolls. If the benefits of being part of a large group are to be reaped then it is essential that there is co-ordination between the various research departments. Finally there are the commercial considerations. Rolls must compete with the world, and especially the American market, successfully. If it is to do this it has to project a strong unified group image with substantial backup resources. Therefore to outsiders Rolls has to appear as a single closely knit organisation with highly integrated production methods. This image conflicts strongly with the plant level bargaining and the friction between the plants noted above. Rolls therefore leads something of a 'double life.'

It was noted earlier there are only three major centres of assembly. Most of the other plants are only manufacturing units, and it is these which have been most influenced by the centralisation of control in recent years. In the past there was only a very limited integration, but in recent years there has been an increasing movement of components between plants. This means that unlike previously management links now exist below senior management level between the plants. Middle managers in one plant may report to their senior managers in another plant because of the product they happen to be manufacturing. As will be shown in the following case inter-plant management links in Rolls resemble those of Ford far more than they do either GEC or Tubes.

This degree of integration of production requires a central control mechanism. Rolls has recently introduced a computer based financial and production control system. This effectively gives the Group complete information and control over the different plants.

This change in technology has had Industrial Relations implications. For example in order to introduce this system established customs and practices may have to be changed. This can create opposition from the shop floor from both management and shop stewards. In some instances the Derby designed control systems have been difficult to implement. This is particularly true at Leavesden. Here the slightly different type of product meant that many of the control systems from outside were almost unworkable. This led to the overall impression held here about Derby management which expressed politely meant they were interfering in something they knew nothing about.

The high degree of central control over finance and production contrasts strongly with the image of plant autonomy projected for Industrial Relations purposes. Hence Industrial Relations is being treated in an anomalous manner. Personnel and Industrial Relations control systems are designed to compensate for this and to provide a system of co-ordinated plant bargaining.

Compared with Tubes, these control systems are far more deliberate and direct. Both cases however occupy a middle way structural position: some elements of control are centralised while others are not.

The reason for this elaborate system of co-ordinated bargaining is that this maintains central control, yet allows plant bargaining to continue. Maintaining this level of bargaining has two benefits.

First it coincides with the wishes of the majority of shop stewards (mostly those who have nothing to gain out of group level bargaining). Second this avoids the costly process of 'levelling up' which would be required to eliminate all inter-plant differentials. An internal working party estimated that this would cost £30 m. for manual and staff, and £18 m for the manuals alone. Thus the policy of centrally co-ordinated plant bargaining was adopted. The report stated that 'It would be wrong to assume that the available courses of action is either full scale company (Group) bargaining or completely unfettered site bargaining'. Instead an intermediate position of the type described above is suggested. This involves leaving the sites to 'negotiate and bargain separately' but to 'ensure that clear central guidelines for objectives are set which plan for increasingly more consistent treatment of employees across the sites'. The advantages of this are seen to include: flexibility in the plants; the ability to take local conditions into account; shop steward and management involvement in plants; and the possibility of future change. However there are such a large number of bargaining units, and the feeling of inequality of treatment for some plants.

3 Conclusions

In order to draw some conclusions from this case it is necessary to briefly summarise the main points.

The original analysis of management structure showed that there was a central organisation, with three main centres of production. Over time the plants within Rolls were being progressively drawn together as control became more centralised. This was largely for financial and production reasons, however Industrial Relations has been largely omitted from these changes. There was something of a feeling that plant bargaining was an obstacle to full centralised control. Plant bargaining was maintained for two reasons: the cost involved in the inevitable process of 'levelling up' and shop steward attachment to plant bargaining. The result was the centralised control over finance and production existed alongside formal plant bargaining.

In the Derby example 'location bargaining' took place involving a number of plants in the local area. This, and the diversity found within each plant, encouraged many variations to exist in practice within a common formal agreement. Many of these variations were connected with the separation between Engineering and Production in Rolls. Industrial Relations management accepted that complete consistency was impossible and tried simply to eliminate the grosser abuses.

The Derby case also provided examples of management adding or removing plants which were covered by a common agreement to suit their own purposes. For instance Mountsorrel was included to prevent comparisons with Coventry, and RR & A was excluded to prevent comparisons with a different industry.

This tactic of allowing variations below plant level had the effect of concentrating activity and attention at departmental and

shop floor level. Many of the union representatives were preoccupied with shop floor based issues and had little chance to look to other plants. If they did this was often to improve their bargaining position in the plant. Despite inter-plant disparities many employees identified simply with their own department or factory.

Attitudes similar to this were also noted at Leavesden. In fact changes of ownership and product difference probably made the employees here even more inward looking. Perhaps the most significant feature of Leavesden was the way it revealed the reason for the weakness of union inter-plant co-operation. Leavesden had among the highest wage rates in Rolls, and the stewards were determined to maintain this position. They would engage in inter-plant activity only to the extent that it did not weaken their plant bargaining position.

Despite these obstacles to inter-plant activity Rolls management were continually concerned about 'read across'. In this way Rolls is very similar to Tubes. Management are forced to use a wide range of control systems in order to regulate inter-plant coercive comparisons. These comparisons are encouraged and made possible by a number of factors. First there are for mostly historical reasons large differences in pay and conditions between plants. Second the move to MDW has made comparisons between the plants all the more easy. Thirdly there has been a 'pulling together' of plants which were previously autonomous: comparisons have therefore been encouraged. Finally the unions, especially white collar unions, are well organised with good channels of communication.

The control systems used by management to restrict this activity are highly visible to the plant stewards. For example Group restrictions on bargaining are openly acknowledged by plant management.

It is possible therefore that these restrictions may encourage such inter-plant activity still further, for they provide examples of the very influence which first instigated the union activity. There may be something of a 'snowball effect' here: the bargaining structure may encourage comparisons, but measures taken to reduce these may further encourage such activity.

One further point above these control systems concerned their source. Since they emanated from Derby many of the plants resented them. This severely limits their effectiveness. The plants saw these control systems as being drawn up with Derby problems and experience in mind. Often this meant that they were not easily applied in the plants. In fact for the shop stewards outside Derby there was something of a common enemy of group management interference. This often united the plants away from Derby, but seriously weakened the combine as a whole.

Comparisons between Tubes and Rolls can be briefly made. First in both cases Industrial Relations is something of an exception to the overall process of control. In both plant bargaining existed alongside more centralised control systems. While plant bargaining was maintained, the group exercised control over other issues such as finance. Second both cases experienced inter-plant activity which necessitated Industrial Relations and Personnel control systems. These are attempts to regulate 'read across' without undermining plant management authority. However this has not always worked and 'read across' has actually been encouraged by these control systems. Finally plant management authority is not supported by a consistent philosophy or ideology. There is some doubt or ambiguity over the role that plant management should play. This contrasted markedly

with the strong managerial philosophy in GEC.

These similarities between Tubes and Rolls, and their contrast with GEC, will be pursued in much greater detail following the final case study.

CHAPTER SEVEN : FORD

This final case study looks at Ford, an organisation with formal group level bargaining and a centralised structure of management. Two plants were studied (Dagenham and Leamington) although most of the discussions refer to them together. As previously this chapter looks firstly at bargaining in practice and then goes on to examine the ways in which management attempts to control this.

The group level bargaining in Ford not only broadens the analysis still further, but also allows comparisons to be made with Tubes. Although bargaining in Ford contrasts with that in Tubes a number of parallels can be drawn with regard to management's control of Industrial Relations. Briefly some of the main points are as follows.

First this case confirms the view formed in Chapter Four that an analysis based solely upon bargaining structure proves inadequate for understanding Industrial Relations. However it does demonstrate the role that bargaining structure can play. Since in this instance the bargaining structure appears to give a high degree of control over union activity, although this is by no means complete. Second management use a variety of control systems to supplement the bargaining structure, yet this is to control in-plant rather than inter-plant union activity. The latter is effectively regulated because of the parity of terms and conditions through the group, and the formal recognition of the Combine Committee. Finally evidence from Ford appears to conflict with the observations in GEC. Here a very high degree of attention is given to Industrial Relations, with a strong bargaining structure, and this results in a highly effective process of control over union activity. However in GEC exactly the opposite view is taken towards Industrial Relations, yet the control

over inter-plant activity was equally high. It is necessary to compare all four cases systematically in order to explain this paradox. This is carried out in the following chapter.

1 Collective Bargaining in Practice

In this section the bargaining structure in Ford is briefly recalled, followed by an in depth analysis of bargaining in practice. Primarily this involves a discussion of the ways in which group level agreements are interpreted and administered in the plant.

Bargaining within Ford is highly formalised and takes place primarily at group level. Common group wide terms and conditions are settled annually. For manual employees the formal negotiating body is the National Joint Negotiating Committee (NJNC). This meets regularly throughout the year. The union side is made up of national union officers, and convenors from each of the plants. Management representatives are drawn from group level. Agreements are highly detailed and are written up on a booklet issued to every employee. This runs to over one hundred and fifty pages and is known as the 'Blue Book'.

Non-manual negotiations are far less formalised. Employees below grade 9 have recognised trade unions who meet annually with management to negotiate terms and conditions. Grade 9 and above are taken as 'management' and bargaining is largely on an individual basis. Some members of this group may belong to a union, but they are not recognised. Ford defend this by insisting that since their terms and conditions are far superior to any other company there is no need for union representation.

Within the plants there are formal Joint Works Committees established to implement the agreements and deal with routine problems. These are common to all plants with formal minutes and records.

When this highly formalised structure has been described the question then to be asked is: what is there left to do in the plants? At first glance it would appear there is very little that remains to be dealt with in the plants. However with a deeper analysis a different picture is drawn. Examples are drawn from the two Ford cases which highlight some of the types of bargaining which take place in the plant.

This bargaining must be located within the context of Ford management's changing attitude towards Industrial Relations. It is possible to detect a gradual recognition by management that some form of plant bargaining is virtually inevitable. Initial attitudes were slowly changed as management began to formally recognise the role of the shop steward. This does not mean that all the original American derived principles and structures have been discarded, for plant bargaining takes place under strict group management control and scrutiny.

Three areas of plant bargaining are discussed: those areas which have developed because of gaps in the formal agreements; bargaining over managerial principles and prerogative; and bargaining over routine day-to-day matters.

In this first section two issues are discussed: the operation of the discipline procedure, and shop steward activities and facilities. Both of these examples show that managements hands are not completely tied in the plants. In fact it is shown that they

can bargain away some of central managements authority (real or imagined) to achieve concessions that they might not otherwise achieve.

The 'Blue Book' does not contain a disciplinary procedure; this is because management have been unable to come to an agreement with the unions. There are group policy manuals which plant management must adhere to as well as the legal minima. Despite these plant management have considerable room to manoeuvre. Group manuals in practice only define the limits within which management operate. In some ways this is inevitable because no centrally drawn up policy could possibly cover every eventuality in all the plants.

It was suggested that Industrial Relations management became involved in every discipline case, perhaps even before the line manager. Bargaining takes place between management and shop stewards depending upon each case. Industrial Relations management are seen as the best qualified to deal with such issues for a number of reasons. First they know what the management guidelines and policies are on specific issues. They know what issues they have scope for flexibility, as well as those on which they know they must conform to the letter of the policy. Second they have a better idea of the position throughout the plant. Unlike line managers they know what would constitute an anomaly, and what would not. Perhaps more importantly they know what they can keep as a secret arrangement and what they cannot. On discipline issues management have some freedom to act, but this is restricted by group policy.

The whole question of shop steward activities and facilities is dealt with very briefly in the formal agreements. With reference to steward activity the 'Blue Book' states 'a shop steward shall not act as such outside the territory for which he is appointed but shall

be able to leave his department in pursuance of union duties with the written permission of his superintendent, or foreman or other supervisor in the form agreed between the parties concerned, such permission not to be unreasonably withheld.' Such restrictions on movement are rarely observed in practice; stewards tended to move easily between departments. However the important point is that these relaxations of the agreement could be withheld at any time. The letter of the agreement could be followed to make life difficult for the stewards. Such restrictions are only used as a threat, and would in any case be very difficult to implement in practice.

These relaxations of the agreement are particularly important for the convenors. In the 'Blue Book' they are referred to only as the 'Joint Secretary of the JWC'. In practice the convenor was employed full time on union business and could move about the place at will. In fact the convenor would become involved in almost all Industrial Relations matters in the same way that Industrial Relations management would. The few number of references made to the convenor may represent Ford's unwillingness to formally recognise the role he does actually play in the plant. There is however one reference to the convenor in an agreement of 1962. It states that 'Senior Company Executives shall hold meetings with Plant Convenors and their deputies.' Convenors also sit on a body known as the 'Dagenham Panel.' This was set up by the 1962 Agreement and consists of local union officers and the plant convenors. The standing of this body has varied over time. In the main the company refuses to formally recognise the 'Panel.' However although negotiations do not take place a number of matters are discussed. These tend to be issues which would affect the whole plant, e.g. the shut down of a department. The management view is that the 'Panel' has grown into something of a 'monster' over which no one

has any real control. However it does appear to have a few benefits for management. They can choose to recognise it when they wish, and the union officials are likely to have a constraining influence on the convenors. If the unions are forced to sit down together they may have to compromise their views in order to reach a common viewpoint.

Shop steward facilities are dealt with in a very vague manner in the 'Blue Book'. It states that 'Reasonable facilities shall be afforded shop stewards to carry out their facilities within the framework of this agreement.' On top of this are legal obligations and group policy. In practice management has a good deal of freedom on this issue. Management may use these facilities as a bargaining ploy. For instance an Industrial Relations manager may agree to provide certain facilities in return for union concessions. This gives plant management something to bargain with, and helps them to build up a relationship with the stewards. However management must be careful not to give away anything that could be transferred to other plants. Any concessions that are made must be highly specific to one plant. Other facilities such as canteens, or changes in working conditions can also be used in bargaining. Again on these issues management must ensure that any changes made cannot be compared with other plants.

The second important area of plant bargaining concerns the day-to-day exercise of managerial prerogative. In particular this refers to issues such as 'work content' and 'manning'.

In most cases the 'Blue Book' refers to these issues only in passing, e.g. the 'Principles underlying the Productivity Enabling Clause'. Important phrases here refer to 'operating flexibility' and 'efficient utilisation'. The effect of these statements on workplace Industrial Relations is far greater than appears from the agreement.

These principles conceal a whole management philosophy designed to ensure complete control over manning levels, work standards, and movement of labour. It is on these issues that most bargaining and conflict takes place at plant level. Under any system of MDW conflict on these issues is likely, but when the tough management philosophy of Ford is added, this becomes even more probable.

In practice day-to-day Industrial Relations is dominated by bargaining over issues such as flexibility and manning. Evidence for this comes from Ford figures supplied to the Bullock Commission referring to industrial disputes.

	Manhours lost	Vehicles lost
Pay	4.8%	9.9%
Work content	68.4%	61.7%
Discipline	10.4%	12.7%

These figures may be suspect because they refer only to 1975 and because the distinctions between non-pay issues may be dubious. However they do back up the findings of an earlier study (Turner, Clack and Roberts, 1967:262). This found that Ford had a below average number of strikes on wage structure, work loads and wage claims, but an above average number on 'management issues', individual dismissal, and hours and conditions.¹ They suggest that because of the simple wage structure many of the strikes were over work loads.

The authors put this pattern of strikes down largely to managerial philosophy: 'The importation into a British Industrial Relations environment of elements of a managerial policy and attitudes which

¹ See also Beynon (1973)

even in the USA could not always be maintained in the face of union resistance led to a substantial contribution to the car firms total strike incidence'. They particularly noted that 'its insistence that work loads and efforts were not negotiable particularly invited conflict' (1967:346)

The final area of plant bargaining covers issues such as grading, shiftwork and overtime.

Although the grading structure itself cannot be changed there are ways of getting around it. For example it may be possible to combine two jobs of the same grade so that the overall grade is raised. Also employees can switch between jobs of different grades.

Rates for overtime working cannot be altered, but there are a number of 'fiddles'. For example a group of workers may be put on a specially negotiated rate for continuous seven day working even though they may only work a weekend. Other examples can be quoted but the point to be made is that management in the plant have some freedom to bargain, although this is carefully defined by group. Occasionally some of these deals would take the form of covert arrangements with a small group of employees. This may be kept secret just long enough to achieve a target and may then become common knowledge.

Some indications of management policy on such custom and practice issues can be got from the JWC minutes. Occasionally there was a union request for management to state its position on a particular issue. These meetings were not always a useful guide because of the circulation of the minutes. Some discussions were therefore 'off the record.'

The explanation for this pattern of bargaining in the plants lies in management's gradual acceptance of shop steward activity in the plant. Initial management attitudes derived from American philosophy have slowly been changed in the face of British conditions. These changes can be traced over time.

Although established since 1911 in this country Ford did not build its first major plant (the Dagenham Engine Plant) until 1931. A number of employees belonged to the AEU in the 1930s but Ford refused to recognise them. Up until 1944 the TUC's policy was to 'leave Ford alone'.¹ But in 1944 there was a strike in a manufacturer which supplied Ford with bodies (Briggs). As a response to this Briggs management agreed to recognise all stewards (Toolroom stewards had been recognised since 1941). Despite being on the same site Ford managed to stop the strike spreading to its own factories. But in return for this it agreed to set up a negotiating body with the TUC. From the very beginning Ford refused to negotiate in the plant with the stewards, and instead preferred to deal with the national officials of the ten unions outside the plant. This initial attitude appears to have been based very much on American experience. In the early days Ford in this country was trying to apply the same structures and principles used by its American parent. Many of these in turn were derived from the deepseated beliefs of the founder of the organisation. But these structures and principles conflicted strongly with the firmly established customs and practice of the British Engineering Industry. Although Ford was able to maintain tight control over its own employees it was when it took over the other plants with different histories and traditions that changes were virtually inevitable.

A good example of this is the takeover of the Briggs plant by Ford referred to above. This took place in 1953 following a strike

1 Cmnd 131 HMSO 1957

in the plant the previous year which had interrupted the supply of bodies. In Briggs shop stewards in the plant had been recognised since 1944 and an active workplace organisation had developed partly as a result of a tolerant management attitude. The two plants had, and still have, very different cultures. One management view of this was that the culture of Briggs was 'ideological' while in Ford it was 'pragmatic'.

It was inevitable that changes would take place as a result of this takeover. Two areas were important: the payment system and the shop stewards organisation. After long and drawn out negotiations the Briggs pay structure was eventually incorporated into the Ford structure. However the issue of steward organisation took longer. In the years following the takeover there was continual conflict over shop steward rights in the plant. Management was unwilling to compromise its principles and the stewards did not want to lose their hard won gains. A series of major disputes leading to Courts of Inquiry was the result.

However gradually management attitude began to change, but this did not prevent occasional explosions of conflict. In 1962 after a dispute management refused to take back a number of those whom it regarded as militants. The resulting Court of Inquiry eventually backed this decision. However this could not remove the basic source of conflict.

This tradition of conflict is exaggerated in Ford by the number of present employees who may have worked under the more tolerant Briggs management. Ford figures suggest that the number of people employed with more than 25 years service is:

Hourly paid	10.8%
Salaried	17.3%
Overall	12.25%

Therefore the tradition of shop steward autonomy is likely to be strong even now.

The change in management attitude can be seen by reference to changes in the composition of the NJNC and the Disputes Procedure.

As noted above Ford would initially negotiate only with National Officers. However in 1969 shop floor pressure threatened to break up the NJNC and convenors were allowed on to the union side. These were referred to as 'additional representatives' in the 'Blue Book' and were pro rata with union membership. Before this the convenors would be in very close contact with the national officers. Since this time the structure of the NJNC has been altered further. At present one convenor from each of the plants sits on the NJNC along with the National Officers. It is the former who are instrumental in drawing up the claims although the latter will actually conduct the negotiations. This change could increase management control over the plants and is discussed in a later section in greater detail.

Second there have been procedural changes, most importantly the shortening of the disputes procedure. Previously the final stage seven of the procedure was at NJNC level with the first five stages in the plant, and stage six outside the plant. There were a number of problems with this procedure. A considerable time lag was involved in making a reference to the NJNC, and there was a feeling of unreality when the issue was eventually discussed. In order to try and avoid this it was agreed that the procedure should end at Stage Five. Only disputes over 'NJNC issues' (i.e. terms and conditions) would automatically go to National level. The aim was to settle the majority of issues in the plant. In fact this change is reflected in a company policy statement dealing with shop floor problems. It is suggested that 'from the management side great importance is attached to the local handling of labour problems initially by the foreman

and the management team in the plant.' This is not quite accurate since greater emphasis is placed on Industrial Relations management rather than line management than is acknowledged here.

Overall it appears that Ford management have been forced to move away from its initial philosophy because of the need to expand and the consequent demands for shop steward and convenor recognition. However the analysis suggests that only those principles and policy which conflict strongly with British traditions have been changed. Management have only changed where they have been forced to: British customs and practice have been incorporated into the Ford style of managing Industrial Relations. Hence there are certain characteristics of Industrial Relations in Ford which remain unique.

The NJNC has been protected at almost any cost. Its constitution was changed when its existence was threatened. A policy of standardisation has been consistently followed. Since the Briggs takeover all new Ford plants have been incorporated into the existing payment structure. This is essential if group wide bargaining is to be maintained and contrasts markedly with the situation in Tubes. Here there was no attempt to achieve parity as plants were taken over. However it must be recalled that Tubes growth has been largely via acquisition, and at the time control was far less centralised than it now is. This compares with the largely internal growth of Ford, expanding on to 'green field sites'.

The wages structure and MDW payment system are rigidly defended. Plant management are aware that whatever they change they must not alter either of these. Although this eliminates conflict over payment by result bargaining switches to other issues such as job content. The inability of management to discuss pay in the plant does not mean that their hands are completely tied. Management

bargain over steward activities and facilities in order to build up a bargaining relationship with the stewards.

Management have steadfastly insisted that certain issues are not negotiable e.g. manning levels and work standards. They have largely resisted steward attempts to take control of these issues using two techniques. First they have a pool of reserve labour which is highly mobile and can be used to cover for any shortages of labour. Second there is the practice of taking people 'off pay' if they are unwilling to work normally. This combination gives an effective form of control especially when they are in the hands of Industrial Relations managers in the plant.

The final part of the investigation into bargaining in practice concentrates on union activity. This points to the existence of management control above group level. It will be shown that this leads to the international comparison of terms and conditions and domestic industrial action which affects continental plants. However before this is examined the potential for inter-plant comparisons in this country is examined.

It was noted above that despite the group level bargaining negotiations do take place in the plant. These are not merely the implementation of agreements but also issues which are not fully dealt with at Group level. Because of this differences are almost inevitably going to emerge between the plants. These differences in custom and practice are essential if management in the plant are to have a limited amount of freedom to negotiate with the stewards. However these are differences in detail not in principle. Virtually all the plant bargaining issues are ones which are highly specific to a particular plant. This makes it very difficult to make comparisons

for example on work practices between plants. In general the shop stewards are not concerned to make comparisons on these issues, and are content to make what gains they can in their own department. Even where a number of Ford plants are on the same site there will be many arrangements made over routine issues that are not known outside a single department. Occasionally these informal dealings come to light - to the great embarrassment of the managers involved.

The only internal comparisons that were made tended to be demands for parity in areas such as environmental conditions and various facilities such as canteens. However in general these comparisons are difficult to make because of the lack of a common measure.

The situation described above demonstrates not only the strength of the bargaining structure but also managerial attachment to a set of principles. Plant bargaining takes place within strictly defined limits so that management have a clear idea of what they can and cannot do. Occasionally this pattern may be broken. Management in the plant may make a concession which is comparable to other plants. One example quoted was the allowance to security guards of premium payments for meal breaks. This became quickly known throughout the plants because of the excellent union communications. Consequently management at group were faced with demands for parity, which they refer to as 'best balling'. Eventually this concession became group policy to prevent leap frogging. In cases such as this the cost of the initial concession is multiplied many times, and the managers concerned were dealt with severely by top management. It was suggested by group management that instances such as this could be a result of younger managers in the plants trying to make a name for themselves and taking risks. Comparisons in Ford tend to be very different from those in Tubes. Within this country they were

restricted to minor details of agreements, however international comparisons were made on wages and terms and conditions.

In particular comparisons were made with Ford's German plants. The rationale behind this was that Ford's production system was integrated on a European basis. The 1977 wage claim stated 'Ford UK is in fact becoming just one component in a multi-national production process and management decisions are no longer taken on the basis of economic and social conditions in one country.' The document suggests that the varying costs in each country are seen as an important determinant of where to expand. Hence 'in an important sense international comparisons between labour costs and worker earnings are now just as relevant to wage bargaining as differences between plants in the same country'. Parity between UK plants has led to demands for international parity. The unions are attempting to organise across international boundaries to match management control systems.

This type of comparison has only emerged recently. In the late 1960s and early 1970s claims for parity were made with other firms in the industry. A major strike in 1971 was over a demand for parity with Midlands firms. Since then the argument has shifted. Not only have differences within the industry been eroded, but the European integration of production has become more obvious.

In some ways this type of comparison is similar to the combine activity in Tubes. In both cases the unions feel that decisions affecting their future are being taken at a level above that at which negotiations take place. In Tubes it is Division which is suspected of interference, while in Ford it is the European organisation. The same principle of management exercising a centralised control above the level of bargaining is involved. In Tubes

the combine is seeking to influence these decisions, while in Ford parity between countries is sought. This latter activity may be a consequence of the fact that Ford unions realise that investment decisions may be taken above even the European level, and they have no hope of influencing these.

Group management's response to these parity claims is to vigorously defend the existing bargaining structure. This is because of the large differentials (50-70%) between UK and German plants, and their insistence on group level bargaining. Evidence of the defence used by management is contained in a Group management response to a union demand for information on European pay and benefits, conditions of service, manpower performance and financial prospects. This stated that 'We have not included in the attached material any information in respect of Ford companies outside Britain because such information has no significance for the determination of conditions of employment in Britain'. This then goes on to say that 'conditions of employment in any particular country are determined by the social and economic circumstances of that country alone, and not by what pertains in other countries.'

Although the unions may not be totally serious in their claims for parity with Germany, their awareness of Ford's European links is important. Despite this awareness Ford is very successful in preventing these comparisons from being effectively pursued. In many ways they are more successful than Tubes are in preventing inter-plant comparisons, especially for white collar unions. This success appears to be a consequence of the simplicity and strength of the national negotiating structure. There is little ambiguity or confusion about the most important level of bargaining in Ford. This is a highly visible and formal structure which is easy to defend because of the strong and consistent base. It is easy to defend a

system of national bargaining when the only alternative is a claim for international parity. The differences on economic, social and political grounds mean that this type of parity claim is easily attacked. In Ford comparisons made on terms and conditions are therefore well controlled. This situation can be compared with the vague and confused control process in Tubes which seems to encourage union coercive comparisons.

The third area of union activity to be considered concerns union industrial action and management's attempts to counteract this. Mass production is used in most Ford plants, and therefore a stoppage by a small group of employees often quickly brings the plant to a halt. Because plants are integrated a dispute in one plant will soon affect others leading to lay offs. Production is integrated not only on a UK basis but also across Europe because of the common model policy. However the use of common components means that shortages caused by an unofficial dispute in a plant can be made good by increasing imports. In fact the JWC minutes record that this action is often used as a counter to unofficial strikes. Although the production process gives considerable power to the shop floor, this is negated to some extent by the European integration of production.

The situation is slightly different in official strikes because imports from Europe are usually prevented by union blacking. Although stocks would last around six weeks lay offs would be inevitable after this. Eventually European plants may be starved of UK produced components forcing the company to pay expensive lay-off pay to these workers. In order to prevent this the company is introducing double sourcing of critical components, and stockpiling supplies of essential parts.

Group level bargaining does have one benefit in the UK. In

an organisation as closely integrated as Ford action in one plant could soon affect others, possible causing lay-offs. But in all official strikes all plants will be involved, thus eliminating the need for lay-off pay.

One final point must be made about the consequences of the group level bargaining. As previously noted convenors from all the plants sit on the union negotiating teams. In effect Ford have formally recognised the combine committee for bargaining purposes. This has led to a separation between the convenors and the shop floor in some plants. The national negotiators seem very isolated from the ordinary employees. There is occasionally a feeling that the convenors may be selling the members short because of the various national pressures they may be subject to. Consequently a number of rank and file organisations have grown up, opposed, at least in part, to the official union line. This may lead to unofficial action taking place in the plants which may result in the hand of the official negotiators being forced. Obviously this may weaken national union strength because of the fragmentation of support. With this in mind there is evidence to suggest that management in the plant may act in a way which encourages unofficial action. This may then undermine the strength of the union negotiators at a crucial stage in the bargaining process.

The discussion above has described and analysed bargaining in practice in Ford. It has shown that certain issues are settled at plant level, and hence for these group level bargaining over estimates the degree of centralisation which exists. In principle this is similar to the situation in Tubes where shop floor bargaining exists within formal plant agreements. Secondly union activity points to a greater degree of centralised control than the management structure indicates. In this case the structure underestimates the degree of

centralisation. Again the parallel in Tubes is the interference in plant bargaining by Divisional Management.

Below the control systems used to restrict this bargaining are outlined using examples detailed above.

2 Management Control of Industrial Relations

In order to provide a background to the discussion of the management control of Industrial Relations in Ford the management structure is first examined. Following this the various control systems used by management are then analysed in detail.

Management structure in Ford is basically at three levels. At group level there is the Central Industrial Relations staff under the Director of Labour Relations. This is a functional department and is concerned with the following: control over operational Industrial Relations departments; setting down of policies and procedures; national negotiations; forward planning; research; wage administration and grading; manpower planning and recruitment. A formidable list indicating a wide range of central resources devoted to Industrial Relations.

Below this central organisation are four divisions based on product. Their role is primarily to control and co-ordinate production on a European basis. They have very few Industrial Relations responsibilities, but are kept closely informed of all developments by the group and the plants. Compared with Tubes the Divisional level is much less important. Responsibility for Industrial Relations in Ford is shared between the Group and the plant.

Each of the twenty three plants has an Industrial Relations manager with his own department. He is responsible equally to the Plant Manager and to Group Industrial Relations. The Plant Industrial Relations manager is responsible for all Industrial Relations activities, as well as applying all agreements and central policies. As noted above the Industrial Relations managers in the plant are highly involved in routine matters, either directly themselves, or indirectly through their Industrial Relations officers. This indicates a greater degree of decentralisation of control of Industrial Relations than is immediately apparent from management structure. While other non-IR control systems suggest greater centralisation of control.

(a) Industrial Relations Control Systems

One of the principal means of controlling plant bargaining in Ford involves Industrial Relations management playing a large part in day-to-day matters. In both the Dagenham and Leamington plants Industrial Relations management became involved in almost every routine issue that could possibly affect them. In comparison with the Tubes plants the Industrial Relations departments in the plants occupied a far more central position and involved more people. This is not only because of the greater number of employees, but also because of the wider range of responsibilities of the Department.

In practice the Industrial Relations officers took over many of the responsibilities of junior line managers. This included not only the procedural aspects of discipline and grievances but bargaining over the minutiae of day-to-day events. This left the foreman and supervisors free to ensure that production targets were met and quality standards achieved. The Industrial Relations officers

were in close and continual contact with line management and were bombarded with a whole range of questions and problems. It was these officers who came to secret understandings (not to say fiddles) with the stewards. The Industrial Relations manager may not always be aware of the details of these arrangements, but would trust his officers not to create any anomalies. This was unlikely since the officers knew what plant practice was, and what they could keep covert for as long as was necessary. The Industrial Relations manager would immediately become involved in any issue that could escalate into a major dispute. In these cases he would work closely with the plant manager or his assistant depending upon the size of the plant.

This major role played by Industrial Relations management in the plant was necessary to establish control over plant bargaining. It is essential that inter-plant inconsistencies in Industrial Relations practices do not emerge. These managers have been centrally trained to know group agreements and policies. But it is essential also that plant management's hands are not completely tied. For it is at this level that much of shop steward activity takes place. In order to match and counteract this management in the plants must have something to bargain with. Also this bargaining must take place without setting precedents. Ford have recognised that plant bargaining is inevitable, but attempt to regulate this via Industrial Relations managers answerable to the Group. Compared with Tubes this system appears to extend Group control into the plant without completely eliminating plant management autonomy. In Tubes this has not been possible with the result either that inconsistency exists or flexibility is severely limited.

One tactic used in plant bargaining in Ford can usefully be mentioned. Management may initially approach a problem by saying

they had no authority to settle it in the plant. This may or may not be the case depending on the issue. Despite this management may begin to discuss the issue. Eventually they come to an agreement in exchange for a concession from the union side. It may appear to the stewards that management attach a great deal of importance to the issue and are willing to take a risk to gain a solution. In some cases management may be bargaining away central control which does not actually exist. This can be termed an 'illusion of parent autocracy'. The group cannot hope to control everything in the plants, but the illusion may be created that they can in order to give plant management something to bargain with. For example management may treat a discipline case leniently in order to obtain concessions on manning arrangements.

Although the manual combine is extremely well organised management exercise a high degree of control over its activities. When threatened by the breakup of the combine in 1969 management allowed a number of convenors to join the union negotiating side. This has subsequently been extended to include all the plant convenors. In effect therefore management formally recognise the manual combine. Management may have felt that the combine was so powerful that it could not be ignored. By recognising it they have formalised and made more predictable its activities.

There have been two consequences for the convenors which have extended management control. First the convenors are now encouraged to take a 'national' rather than plant based viewpoint. This, according to management, may result in a more responsible attitude from the convenors. Second the convenors have effectively been isolated from the shop stewards and the shop floor which may moderate their views.

(b) Personnel Control Systems

In addition to the Industrial Relations controls outlined above group management operates a number of Personnel control systems. On the whole these appear to be far stronger than those in Tubes, but are again based on individual managers. In particular there are very close links between plant and group Industrial Relations management. These control systems are used in conjunction with those controls outlined above. Rather like Tubes, the centre realises that it cannot control every detail in the plants through policy or making agreements and hence uses indirect influence over individual managers to achieve their goal.

The centre is responsible for control over the recruitment, selection and training of management. Since Ford is far more of an integrated organisation than Tubes these control systems are much more immediate. This is also helped by the fact that there are far fewer plants in Ford than in Tubes even when the European plants are taken into account. This integration is made all the more strong by the production links between plants. As will be shown the 'non-IR' control systems are such that any halt to production in any plant will soon be evident to group management. This means that the plant Industrial Relations manager is far more under the scrutiny of group than in any other case.

These controls are particularly strong over promotion, and especially for graduates. Great attention is paid to their career development with lengthy induction courses and training programmes. Ford is often regarded as one of the best management schools in the country. It is not unusual for graduates to begin with a supervisors or foremans job.

Movement of management in Ford takes place on a much wider scale than in Tubes. It is not uncommon for managers to move between the European plants in order to broaden their experience. There is also movement between UK plants. However a false picture should not be painted. The average Ford manager is not some superbeing who spends most of his life jetting around Europe. Ford, just like any other group, has its fair share of managers who spend all their working life in one plant. It is simply that certain managers receive a great deal of attention.

Ford's training programmes for managers go to great lengths to instil the desired principles of the managerial philosophy. This is part of the attempt to regulate bargaining in the plant indirectly. In general there is a more 'hard headed', many would say crude and brutal approach, to the control of labour in the plants, very different from the more benign philosophy found in Tubes for example. The whole pace and temperament of working life seems that much more competitive in Ford. Middle managers, in particular seem to be under considerable pressure because of the control systems outlined above. One manager described this as 'forever looking over your shoulder.'

(c) Non-IR Control Systems

Non-IR control systems in Ford are highly centralised and are concerned largely with production and investment. Many of these control systems are either at or above the level of bargaining.

The manufacture of components and the final product is integrated on a European scale. Parts and finished goods are transported regularly between here and the continent. For example the company's latest model is produced in three countries with components from a

dozen different plants. This has a number of benefits. First Ford can take advantage of the economies of scale and hence lower unit cost considerably. Second the really vital components can be dual sourced. A stoppage in one plant need not halt all European production. Finally stocks of components and finished goods can be kept so that a shortfall of either in any country can be made good. It has been noted (CIS:1977:59) that stocks of British produced components are planned to last for forty rather than the normal twenty days.

This high degree of product integration is backed up by a whole battery of information channels. For certain plants, e.g. Dagenham and Halewood production returns are made on an hourly basis. Group management are in close contact with production in all the plants via this process. It is somewhat unnerving for the visitor to Group Management to hear that 'the line has stopped at Dagenham' or that the previous nights production schedule at Halewood was missed by twenty cars. This type of statement brings home the extent of control that central management have over the plants.

These production figures are backed up by a whole series of Industrial Relations statistics collected monthly. These cover discipline, absenteeism, disputes, labour turnover and details on shop stewards. Also the minutes of JWC meetings are widely circulated. When all of these control systems are put together the strong central control over individual managers and plants can be recognised. Almost any action which causes production losses or a dispute is likely to come immediately to the attention of group management. It is almost as if all the plants were working under one roof connected by long lines of communication. It is this tight central control which contributes to the highly restricted nature of bargaining in the plant.

It is a characteristic of the industry that the scale of investment is likely to be beyond the resources of any single national group. For example it may cost £500 millions to build a new car which will involve building new production facilities as well as design and manufacture costs. When funds are required on this scale it is inevitable that the American parent company will become involved. In the past the parent has negotiated with Governments in order to get the best deal possible. This may involve the plant being partly government financed e.g. Bridgend Engine plant. Along with this availability of investment capital goes the threat of not providing funds if certain targets are not met by the plants.

Industrial Relations criteria may influence some of these decisions. For example labour intensive production e.g. assembly, may be located in areas or countries which have a good strike record. Capital intensive manufacture e.g. component production may be located in areas with a poor strike record. Ford concentrates assembly abroad and major component production in the U.K. Its control over immigrant labour in Germany results in a comparatively good strike record.

The final decision for any major investment project is firmly in the hands of the American parent.¹ It may sound extraordinary but it seems that many of the major investment decisions in the world's third largest organisation are taken by a handful of people. This situation is of course one of deliberate policy and stems from the original beliefs of the founder of the organisation. He wished to keep as much as possible under his own control, no matter how large the organisation. These beliefs have been handed down and become accepted as unchangeable facts of life.

¹ The CIS (1977:7) suggests that any investment involving more than \$25 millions has to go to the parent. See also Seidler (1976)

There is of course something of a parallel in Tubes. Divisional management accumulate and ration investment funds in the same way that the American parent does in this case. However in the Tubes case these control systems are not backed up by a highly integrated production system. The same principle is in evidence: non-IR control systems are exercised above the level of bargaining and result in a far greater degree of centralisation than is immediately apparent.

Unlike Tubes the unions in Ford do not challenge the investment decisions made by the parent. As noted previously this may be because they feel that these are completely out of their control. Ford is able to exercise control above the bargaining level with little fear of repercussions. The inter-country comparisons that result are easily repelled because of the obvious problem of comparing across national boundaries. Therefore as has been noted (CIS: 1977:1) 'the workforce remains fragmented organisationally by geography and nationality. Ford, on the other hand, benefit from centralised control of management strategy.' The trade unions comparisons are not aimed at achieving international bargaining but merely seek to improve their own bargaining position. In this way they are merely strengthening and justifying the existing level of bargaining.

3 Conclusions

The major points of this case are briefly recalled to provide an introduction to the concluding comments.

Formal bargaining in Ford is very different to that in other cases. But despite, or perhaps because of, the group level bargaining informal negotiations take place in the plant. An historical analysis showed that this represented a gradual change of attitude by management towards shop steward activity. Gradually it was realised that some form of workplace bargaining was inevitable and a movement away from the American devised structure and strategy was required. However compared with Tubes plant bargaining emerged within tight constraints. In the main steward activity is controlled and predictable. This is made possible by a series of Industrial Relations and Personnel control systems.

Bargaining of this nature in the plant demonstrates that in some ways the formal bargaining level overestimates the degree of centralisation that exists. In some ways this parallels the situation in Tubes. Here the formal level of bargaining diverted attention away from the informal negotiations which took place at shop floor level. Individual management style was important for both cases in this informal bargaining. There was a notable contrast: Ford management took a much tougher line on issues such as manning and discipline. The consistency of this approach is a result of the more intensive training programmes devised by Ford.

Secondly the formal management structure underestimated the extent of central control over production and investment. The former was organised on a European basis, while the latter was often controlled

by the American parent. Again the parallel with Tubes shows central control above the bargaining level, in this case at Divisional level. The result was that unions were forced to make international comparisons which were difficult to support in the face of vigorous management opposition. These comparisons were largely ineffective. They were necessary because of the control exercised by the bargaining structure in this case. Group level bargaining ensured parity of terms and conditions between plants. Any differences that did emerge were usually highly specific to one particular plant.

In general therefore management control over union activity in Ford is more effective than in Tubes. This is not only a consequence of the strength of the bargaining structure. In addition a number of other factors appear to be important.

The majority of the control systems within Ford are located at group level. Those exercised over finance and production are not very 'visible' to stewards and convenors. Together the formal control systems produce a strong national image which is easy to identify with. These control systems are mutually supporting and leave little doubt as to the effective level of decision making. In comparison the control systems in Tubes are seen to emerge from a variety of levels creating doubt and confusion as to the effective level of control.

Second Ford seems to enjoy the benefits of centralisation and decentralisation even though it has not deliberately adopted a compromise position in the way that Tubes has. Highly centralised control over investment exists alongside formal group level bargaining and informal plant negotiations. There is a deliberate specialisation of decision making. Those decisions which are best made at particular levels are in general made at those levels. The result is that

management have a combination of formal and informal control systems which it can use to solve a particular problem. This is a greater degree of flexibility than has been achieved by Tubes.

Finally Ford have a clearly identifiable management philosophy. This serves not only to support the image of group control but also provides a means of explaining away particular actions and structures. For example the philosophy stresses the high degree of plant integration in support of the group level bargaining.

One paradox has emerged during the examination of these four cases. Both Ford and GEC have achieved a high level of control over union activity, yet their approaches towards Industrial Relations could not be more different. There seems to be no consistent link between management control over Industrial Relations and the resources and attitude given to it. This contradiction is analysed and explained in the remaining chapters.

PART III : ANALYSIS

INTRODUCTION

The material outlined in the four previous chapters provides a resource of data from which to draw. The chapters which follow systematically analyse this material. However before this is undertaken the argument of the thesis can be usefully recalled.

The primary aim of this thesis is to compare case studies of organisations having different structures of collective bargaining. These are compared in order to examine the following relationships: between bargaining structure and union behaviour; between management structure and bargaining structure; between situational determinants and bargaining structure.

Having introduced the study and explained the research method previous literature was reviewed by applying some of the data available. This revealed that relying on bargaining level alone was an inadequate criterion for classifying bargaining structure. Secondly there was evidence to suggest that bargaining structure as a whole did not display all the methods of control used by management in Industrial Relations.

With these findings and others in mind four detailed case studies were carried out. Material was presented firstly to show the form bargaining took in practice and secondly to examine the control systems used by management to regulate this.

These detailed findings are now systematically analysed in two ways. A framework for analysing the management control process

is developed in Chapter Eight, and a comparison of 'Styles of Managing Industrial Relations'¹ is undertaken in Chapter Nine. The final chapter considers some of the implications of the study.

Framework of Control Systems

Chapter Eight develops a framework of control systems. This systematically analyses the components of the control process used by management.

This framework is based upon the stages in the control process. Three stages will be analysed moving from the general to the specific and they comprise Policy, Achievement and Application.

At each of the stages in the control process the various control systems used by management will be outlined. Additionally the influences upon management control at each stage will be discussed.

This framework outlines the variety of control systems which may potentially be used by any organisation. It is unlikely that any single case would use all of these systems. Each company will use a selection of the control systems outlined to suit its own needs. This is purely an analytical device used to study the impact of management as Industrial Relations in a systematic manner. Certain combinations of controls, with their associated influences may be used.

¹ Clegg (1979:160-1) used this phrase to describe the variations in management's role in Industrial Relations in large and small companies. In this instance it is used to include not only the management control systems, but also the attitude towards Industrial Relations built up in the company over time.

Comparative Styles of Managing Industrial Relations

The impact of management control on union behaviour is examined on a comparative basis in Chapter Nine. As will be recalled from the first Chapter only one form of union behaviour is discussed: the inter-plant activity within a single group.

Four 'ideal types' of styles of managing Industrial Relations are evolved based on the case studies. These are used to explain a paradox which emerged from the case studies. Two cases having different bargaining structures enjoyed a highly effective degree of control over union activity. Two other cases with similar bargaining structures had only a low degree of control.

CHAPTER EIGHT : STYLES OF MANAGING INDUSTRIAL RELATIONS

Introduction

This chapter develops a framework for analysing the impact of management upon Industrial Relations. It provides a comprehensive means for investigating all the controls and structures of management which can influence union behaviour.

Additionally this chapter examines some of the influences which affect management in their efforts to control Industrial Relations.

This framework is based upon the available data drawn from the case studies, and examples are frequently quoted. However the analysis is expressed in sufficiently general terms to have wider applicability. Case study material is now quoted as evidence to support the generalisations and concepts developed here. Although based upon empirical research this framework could be seen as a tentative model for studying the impact of management on Industrial Relations in general. However the concepts and hypotheses developed here will require further refinement, possible only by more empirical research.

The framework developed here provides a means of examining in detail the component parts which together make up a particular style of managing Industrial Relations. In practice each style will use a selection of the controls and structures examined below. The framework does not represent any one single style, but is in effect an amalgam of a whole variety of styles. The following chapter looks at some possible combinations of the controls outlined here.

The framework is based upon the stages in the control process.¹ Management's role is examined as it proceeds from the most general policy decisions to the most specific day-to-day decisions.

These stages are not necessarily tied to any particular level of management. One of the key points of the analysis is that management have the ability to use these stages in the control process at a variety of levels.

Analysis based on management structure alone is rejected because this would produce an unduly inflexible and static framework. Also as Anthony notes (1977:13-4) 'It is easy to draw up categorisations of levels in management or personnel management, and it is easy to imply that these levels are distinct and separate and that they represent horizontal divisions of responsibility which ought to be initiated. This is of course nonsense.'

The framework used here is far more flexible. For example the application of policy may be carried out at board level. Alternatively policy may emanate from day-to-day decisions made on the shop floor.

At each stage a variety of control systems may be used by management. These are classified as follows:

'Non-IR' control systems	financial, production and investment
'Personnel' control systems	recruitment, selection, training, promotion and movement of managers
'Industrial Relations' control systems	policy formation, co-ordination of bargaining and information
'Collective Bargaining' control systems	bargaining structure; preparation and backup for negotiation

¹ Similar approaches have been taken by Goodman et al (1975); Purcell and Earl (1977); Baker and France (1954); Anthony (1977:14-6)

Industrial Relations is likely to be affected by two sets of influences.

First those generated internally by non-IR decisions which themselves are influenced by situational determinants.

Second those external to the organisation which affect Industrial Relations directly, e.g. changes in the law and trends towards the formalisation of bargaining structures.

These are examined at each stage.

A POLICY

This is taken as the stage of control which is most removed from the day-to-day. Two aspects are studied.

First the impact of 'non-IR' decisions (e.g. production and financial decisions) on Industrial Relations. This includes a consideration of the factors which will influence these decisions.

Second the notion of a policy for Industrial Relations. The possible characteristics and influences on such a policy are also included.

1 Corporate Policy

Before the impact of non-IR decisions on Industrial Relations are studied three points must be made about the notion of a corporate policy.

First, Legge (1978:40-1) expresses doubts as to whether all organisations may actually possess a corporate policy. It is likely that larger organisations may have policies, but very unlikely that smaller ones will. Where a policy does exist it may not actually guide decisions, but may be used simply to rationalise actions once taken. Legge suggests that even in large organisations ad hoc decisions based on 'hunches' are widespread.

Second, policy decisions may not necessarily be taken by the Board. Evidence¹ suggests that on some occasions the Board may only make rather than actually make decisions. The Board may act as a formal 'rubber stamp' for decisions that are taken elsewhere, perhaps by management committees.

1 See Brannen et al (1976) and British Institute of Management (1972)

Finally it is possible that policy may emerge from the shop floor. Decisions may be taken on a day-to-day basis, some of which may constitute precedents or anomalies. In order to avoid 'custom and practice drift' management may be forced to form a generalised policy on the basis of these separate decisions. Policy may emanate from this level in order to try and achieve consistency and predictability in an unstable situation.

Non-IR decisions such as those on production and investment are likely to have a big influence upon Industrial Relations. For example a change in the production process may involve altering manning arrangements or learning of new skills. The need to hit financial targets may require making people redundant.

Hyman (1975:9) has noted the importance of such decisions. 'There is an area of social relations which exert a profound influence over all others: the decisions taken by employers and managers in opening or closing a workplace, determining the type of level of production, introducing particular forms of technology and work organisations, allocating a specific distribution of profits.' As noted previously such decisions are often taken as given in Industrial Relations analysis. However in this study they are seen as internal influences affecting the management control of Industrial Relations. The need to stress influences such as financial criteria has been stressed by Anthony (1977:178). Such influences are of particular significance at this stage in the control process.

Before the impact of these decisions on Industrial Relations and some of their influences can be studied these decisions must be examined.

These non-IR decisions will be affected by the structure of management, and in particular the divisions that exist within management.

Horizontal and vertical divisions within management will produce a number of groups of managers. Each of these may have their own aims and authority and may compete with one another if resources are scarce. Fox (1971:67) characterised management as a 'plurality of interest groups'. While Goldner (1976:76) suggests it is useful to recognise a number of different 'managements' within what is formally an homogeneous group. Each group will have its own set of targets and rules to adhere to. This has been noted by Batstone (1977:155) 'Consequently each has targets and constraints which derive not merely from his own department, but also from others.' Batstone goes on later (1977:156) to point out that production considerations often have priority over others. The conflict between line and personnel managers has been described by Clegg (1977:100). He suggests that to many line managers 'their colleagues in personnel posts may appear, at least sometimes, as the people who sell them down the river, with ever more compromises with the unions and shop stewards, thus putting further obstacles in the way of line managers achieving the results they should.'

Decisions made on production and financial matters may often set the constraints or limits within which Industrial Relations takes place. Many of the decisions made in Industrial Relations will be dependent upon or derived from other decisions taken by other groups of managers. Industrial Relations decisions are often taken within constraints which are internally generated. Non-IR decisions interpret and translate the impact of situational determinants for the organisation as a whole. They often govern the way Industrial Relations will be influenced by changes in these factors.

Legge has noted (1978:44-45) that many important decisions are taken in isolation from one another. The result may be that often personnel managers are presented with a fait accompli, and have to devise ways of amending their policies to fit in with non-IR decisions taken elsewhere.

Legge suggests later (1978:59-66) that these examples are symptomatic of the low level priority generally given to Personnel and Industrial Relations. This she feels is a consequence of two factors. First it is difficult to measure the contribution of these departments. Second even if they can be measured they may not be seen to be contributing to increased profitability.

Anthony (1977:34) has also noted that it is common for Industrial Relations to receive only scant attention at the policy making stage. Evidence from Marsh (1971:16) shows that only rarely is there a personnel specialist on the board. He found that in 58% of multi-establishment companies in his sample there was no director responsible for Personnel. Also some 45% of companies lacked a divisional or group manager for Personnel. This evidence suggests a generally low level of funds, facilities and expertise granted to Industrial Relations.

This picture has probably changed slightly in the intervening nine years. However the general trend is probably still that seen by Slichter, Healey and Livernash (1960:952) in that it is very much a case of Industrial Relations management fighting to survive in the face of hostility from non-IR management. At best the Industrial Relations department may be seen as only one of a range of specialist activities for exercising control over the workforce. At worst it may be little more than an obstacle for line management to overcome.

Anthony (1977:28-30) notes that Industrial Relations may be used alongside a whole range of other techniques such as 'human relations' and participation. While Fox (1974:45) notes that collective bargaining is only one of a series of strategies used by management in an attempt to solve what he defines as the 'managerial problem'. That is the need to gain compliance and commitment from the workforce.

In practice management may have no particular attachment to Industrial Relations techniques when attempting to control the workforce. They will be used when they appear to be relevant or effective.

Three of the cases studied may be exceptions to the general picture presented above. Ford, Rolls and Tubes each devoted considerable resources to Industrial Relations. Ford, in particular paid a great deal of attention to the subject. Rolls and Tubes both devoted slightly more attention to Industrial Relations than is the norm in Engineering. This is only to be expected. All three had some degree of integration of production, especially Ford and Rolls, and each was faced by well organised unions.

GEC is of course the exception. Industrial Relations was generally accorded a very low priority. Most of the decisions in this area were a consequence of non-IR, largely financial, criteria. GEC had a low level of product integration.

However as noted previously the resources devoted to Industrial Relations were not consistently related to the degree of control exercised by management over union behaviour. The contradiction is pursued in greater depth in the following chapter.

2 Influences on Non-IR Decisions

If non-IR decisions affect Industrial Relations then the

influences on these decisions must be analysed. Three factors can be recognised, two of which are closely related.

In the multi-plant context the degree of integration of production is a big influence on management. This may be closely connected with a centralisation of financial resources. In cases such as Ford and Rolls production is highly integrated. A stoppage of production in any one plant will eventually have repercussions in others. In Ford this integration is on a European scale. This high level of integration requires that a group wide perspective is taken on all Industrial Relations decisions.

Within Tubes this perspective can be restricted to the Division. Integration of production is only usually found within division. However financial resources are also located at this level. Hence a Divisional Industrial Relations policy results.

GEC is again the exception. Although financial control is highly centralised, there is a low level of integration of production. In this case it seems that it is the diversity of products which separates each plant. This together with day-to-day operating autonomy allows plant based Industrial Relations policies.

Two other factors, the growth of an organisation and its managerial philosophy are closely linked.

Apart from its effect on managerial philosophy discussed below, growth pattern has another consequence. This concerns the impact of a merger. Two of the cases, Rolls and GEC, were the result of mergers of around ten years ago. However the effect in each case has differed. In Rolls the merger has served to bring plants together which were previously separate. This has brought demands for parity on certain issues. While in GEC the merger has merely

increased the product diversification and has led to competition between the plants in a time of rationalisation.

Ford's growth has been quite different, it has grown largely as a result of internal expansion. This has led to an increased feeling of being part of a single group. Tubes was in the past far more fragmented than it is presently. Previously autonomous groups are now being brought under divisional control resulting in inter-plant union activity.

Management philosophy is of course closely tied in with the problem of growth. Traditions and customs present within the organisation can be demonstrated by the pattern of growth. Thus one may support the other.

In Ford there is a clear managerial philosophy and this added to the pattern of growth concentrates union attention at group level. Similarly in GEC the management philosophy stresses plant autonomy, as has the pattern of growth. While in Tubes and Rolls the lack of a clear philosophy has only added to the confusion emanating from the pattern of growth.

3 Industrial Relations Policy

The CIR (1973:5,16) emphasised the need for a policy in Industrial Relations. They suggested that a written policy should form an integral part of the organisation strategy. Accordingly this would allow management to take a long run view of Industrial Relations and would allow changes to be made more easily than if based solely on custom and practice. This view seems to be an adaptation of previous work by Ansoff (1965); Cyert and March (1963) and Chandler (1962).

These approaches have a number of problems. First Legge (1978:40) has noted that there may not be a corporate strategy which Industrial Relations policy can become a part. Second as Anthony (1977:20) notes, it may be sheer folly in some cases to make management's negotiating policy known. Finally as Wood and Thurley (1977:1-2) have noted this approach suggests that Industrial Relations is a discrete area of activity which can be incorporated into overall policy.

In general Anthony notes (1977:20) that there is little evidence to suggest that Industrial Relations policies exist in the form put forward by the CIR. Although he suggests that the threat of being investigated by bodies such as the CIR might be a good reason for 'running one up'.

Accordingly Anthony puts forward a more realistic view of the form policy might take. And this is one which is supported by the case material. Although a policy may not be explicitly formulated and written up 'it is certain that management in Industrial Relations has normally accrued a set of intentions, which in part influence its behaviour.' Therefore 'if this is what we mean by policy in Industrial Relations, then most managers have one even if they do not know it.'

Very often this may result in a 'fire fighting' approach. Problems will be dealt with as and when they arise. This ad hoc policy may be self perpetuating. Legge (1978:55-56) notes the consequences of ad hoc decision-making. Neglect of Industrial Relations matters from day-to-day leads to crisis management. The exclusion of Industrial Relations management from these day-to-day events means that they are likely to be less than effective when actually dealing with problems. The result will be that less

resources are devoted to Industrial Relations, and problem solving ability declines still further. Anthony (1977:22) suggests that this approach may be a consequence of top management's reluctance to recognise that there are some areas in which they may have only limited resources. Winkler (1975:206) notes that 'Directors literally do not want to know about Industrial Relations.'

This ad hoc approach has been widely criticised (e.g. Flanders 1964) and is discussed further in Chapter Ten. A number of influences on policy can be recognised. These influences are largely external to the organisation. They include the growth of labour legislation and changes in bargaining structure.

Government legislation since 1963 has become increasingly important in Industrial Relations. The statutes of 1974 and 1975 have extended the degree of government intervention significantly. Management have reacted to this in a number of ways. They may have bolstered up their own Personnel Departments to ensure correct action was taken over issues such as discipline and redundancy. Alternatively small firms may have relied upon the services of their local employers' association.

Hawkins (1978:159) notes the procedural bias of the new legislation. This places an additional administrative burden upon management leading to an expansion of Personnel departments. However the influence of such enlarged departments may remain low.

Commenting in 1975 Brown and Sisson noted (1975:49) that 'The last five years have seen the most radical reform of bargaining

structures in Britain since the Whitely reforms that followed the first world war'. They are referring to the decline in the significance of the national or multi-employer agreement and the rise of the single employer agreement. Evidence to support this assertion is available from a number of sources.¹

This trend was begun by the productivity agreements of the early sixties and encouraged by the publication of the Donovan Report. If management are to carry out such reforms some kind of policy for Industrial Relations is required. Changes such as a movement from payment by results to measured day work requires considerable time and attention. And as Brown and Terry note (1979:129) having devised their new structures management will not want them to be undermined by changes in the national agreement. Hence they may want to maintain the initially high level of attention given to Industrial Relations. This discussion is returned to in Chapter Ten.

4 Policy on the Shop Floor

The policy making stage is not the exclusive preserve of the higher levels of management. Policies can be derived from the shop floor in an ad hoc fashion. Purcell and Earl (1977:45-6) note that it may be difficult to distinguish between when policy making ends and application begins.

For example during routine decision making a line manager may make a decision which is against established policy. If this is sufficiently serious it could be taken as a precedent by the shop stewards. They will use the original decision in arguments in

1 For example Daniel (1976); Warwick Survey (1979); Brown and Terry (1979); Wilders and Parker (1972)

similar cases. In effect they will attempt to use this as the basis to extend custom and practice in their favour. Management may feel that this situation could get out of their control and lead to leap frogging claims. In order to prevent this plant management may re-establish policy on the basis of the original decision in an attempt to prevent further 'custom and practice drift'.

Winkler (1974:202) notes that this is the way shop floor decisions come to the notice of higher management, and hence reporting systems are ways of concealing rather than communicating decisions made. 'What is effectively happening is covert decentralisation of decision making.'

B ACHIEVEMENT

This is defined as the stage at which the rather vague (or non-existent) policies and strategies are translated into specific structures and actions. Included in this section are various control systems: Collective Bargaining; Industrial Relations; and Personnel. Three initial points are made.

First, this is the only stage at which Industrial Relations is likely to be seen as a discrete activity. At the policy and application stages it is often very difficult to extract Industrial Relations from the whole range of other activities. As Legge (1978:39) has noted the expertise of specialist staff and their reporting relationships may be a good indicator of attention given to Industrial Relations.

Second, it is at this stage that general trends towards formalisation and single employer bargaining seem to have had their biggest impact.

Finally it appears that certain of these control systems particularly Industrial Relations controls, are used to support the bargaining structure.¹ For example in Rolls and Tubes bargaining structure does not appear to give complete control over union inter-plant activity. Hence a series of Industrial Relations controls are used to make good these deficiencies. In both Ford and GEC control over this aspect of union behaviour as a result of bargaining structure is greater, and therefore they have less need to use other control systems. However in Ford Industrial Relations control systems are used to regulate union activity in the plant.

1 See the CIR (1974:28-9)

1 Collective Bargaining Control Systems

The Collective Bargaining control systems include not only the bargaining structure but also the preparation and back up for negotiation. This section will look at the varying emphasis placed upon bargaining structure and some of the factors which influence this.

It will be recalled that bargaining structure has been suggested as the foremost influence on union behaviour (Clegg: 1976:4). Both McCarthy (1971) and Clegg (1976;1979) have suggested various dimensions of bargaining structure for understanding the impact on union behaviour.¹

There are variations between the cases in the emphasis placed on bargaining structure. Ford has comprehensive, detailed and written agreements covering the majority of substantive and procedural issues. GEC, on the other hand, has relatively few formal agreements relying mostly on informal shop floor negotiations. While Rolls and Tubes negotiate at plant level their agreements are less comprehensive and detailed than those of Ford.

If one aspect of union behaviour is analysed, inter-plant activity, an important contradiction emerges. Those cases with the most extreme forms of bargaining structure, Ford and GEC, seem to display similarly high degrees of control over inter-plant activity. Those cases with similar bargaining structures, Rolls and Tubes, have similar but low degrees of control over this activity. Correspondingly Rolls and Tubes appear to make use of Industrial Relations controls in order to try and limit this inter-plant activity. Ford and GEC have less need of such controls to limit this form of union behaviour.

1 See Chapter Three

This apparently contradictory evidence relating to the impact of bargaining structure will be considered further in the following chapter.

2 Influences on Bargaining Structure

Two sets of influences are briefly considered below. Those emanating from within the organisation, and those from outside.

¹ Research has stressed the impact that management structure may have upon bargaining structure. Evidence from the cases suggests this is an important influence, but also other control systems should be considered.

The major influence of management structure on bargaining structure is a result of the divisions that exist within management. As shown above these divisions mean that separate specialist groups of management are created. Hence Industrial Relations management may emerge as a specialised department concerned only with negotiation and solving problems. In many cases Industrial Relations may be given a fairly low priority. Therefore relatively little attention will be given to bargaining structure and negotiations in these circumstances.

A second influence concerns the impact of non-IR control systems used by management. Changes in production and financial control systems, for instance, may have repercussions for bargaining structure.

¹ eg. Boraston, Clegg and Rimmer (1975); Clegg (1976); Brown (1973)

A good example is a case with plant bargaining. As a result of various pressures management may decide to centralise control over finance at either group or divisional level. This may mean that non-IR control systems are now located at a different level from the bargaining structure. It is possible that this may lead shop stewards in the plant to question the authority of plant management on all matters. In turn this may lead to the kind of inter-plant activity seen in Rolls and Tubes designed to match the level of management decision making on non-IR matters.

Changes in non-IR control systems may undermine the bargaining structure. Doubt and confusion are created in the minds of plant employees. The inter-plant activity that results may require management to use Industrial Relations controls of the kind studied below. This situation can be contrasted with that in Ford. Here the non-IR control systems are aligned with the bargaining structure. Hence one set of control systems supports and reinforces the other.

External influences can now be analysed.

The post war growth of workplace bargaining led many managers to feel that they had lost a degree of control over Industrial Relations. Two changes in bargaining structure have resulted from this. First an increasing formalisation of bargaining structure. Second a movement away from multi-employer towards single employer agreements.

These changes have a number of implications for multi-plant groups.¹ In most cases the plant has now been formally recognised as the most important bargaining level. The movement away from multi-employer agreements has highlighted the differences between plants. Also as Brown and Sisson (1975:45) have noted changes in payment systems have made comparisons easier. The result of these two

1 This discussion is continued in much greater detail in Chapter Ten

changes has meant that inter-plant comparisons are encouraged. In cases where this has taken place (Rolls and Tubes) management have attempted to control the resulting inter-plant activity by means of the Industrial Relations controls of the type discussed below.

3 Industrial Relations Controls

Industrial Relations controls are used by management to supplement the bargaining structure. Three sets of controls are analysed: co-ordination of plant bargaining; provision of services; and communication of information between plants.

The extent of these controls appears to be related to the level of inter-plant union activity. In Ford¹ and GEC the limited inter-plant activity requires few controls of this kind to be used. While in Tubes and Rolls these controls are well developed to deal with the inter-plant union activity. This activity usually takes two forms. First the formation of combines designed to co-ordinate action and information. Second the making of coercive comparisons between plants within the same group.

It will be noted below that the use of these controls may actually encourage the very behaviour they are trying to limit. This point has been noted by Fox (1971:38). Management may fall back on their coercive power if their legitimate exercise of authority is ineffective. This in turn may require a further use of power. For unions the use of such Industrial Relations controls may provide further evidence of the kind of management interference which stimulated their initial activity. (CIR 1974:49).

1 In Ford Industrial Relations controls are used to limit plant based union behaviour. The impact of these controls is dealt with in the application stage of the control process.

(a) Co-ordination of Plant Bargaining

Perhaps the most important types of Industrial Relations control involve managements attempts to co-ordinate bargaining in the plants. This may be undertaken by group or divisional management and can take a variety of forms. These will range from the subtle and covert to the crude and overt. Management outside the plant may intervene in disputes, or lay down guidelines or provide advice to plant management. Two examples can be quoted, both aimed at limiting either the scope for inter-plant activity or its impact. However this may be a highly unstable situation (CIR 1974:44).

Rolls uses a system of co-ordinated plant bargaining. During negotiations in the plant group management are notified of all developments. The final agreement has to be submitted to group for assessment. On certain subjects, e.g. annual pay increase, group management may specify the overall increase while allowing the details to be settled in the plant. (CIR 1974:16). The result of this policy over time has been a patterning of pay and terms and conditions issues across the group. Although there are eleven separate bargaining units there are not eleven different sets of pay and terms and conditions. For pay there are two units, which are highly paid, and the other nine having a lower, but roughly equal level of pay. On other issues there are different groupings of plants. The overall aim is to limit the potential for 'read across' or inter-plant comparisons of terms and conditions. It is hoped to eliminate differences between plants which have attempted comparisons in the past.

Tubes uses a slightly different set of controls aimed largely at

containing inter-plant comparisons made by white collar unions.¹ These comparisons are either straight forward 'leap frogging claims' or made under the Schedule 11 provisions of the Employment Protection Act.

Comparisons have been made primarily on non-salary conditions e.g. holidays and fringe benefits. This is because such items are easily compared between plants, while salaries for white collar workers are not transferable.

In an effort to limit the potential for such comparisons management in Tubes used a series of highly selective guidelines. On those issues which were highly transferable between plants, and hence prone to comparison, divisional management used a series of guidelines which were rigidly enforced. This eventually resulted in a standardisation of such items across the Division. However Tubes refused to negotiate such issues at Divisional level, perhaps because they felt this may damage their image of plant autonomy, and encourage the manual unions to seek parity across the Division.

On other issues, such as salaries, which were far more difficult to compare individual plants had much greater freedom. This added to the image of autonomy of each plant. But the result of this was noted. Management in the plants could draw up a costly and phoney productivity deal, but could not alter the car mileage allowance.

(b) Provision of Services

All the cases studied had a central source of services to plants within the organisation. This was usually either at group

¹ The impact of white collar unions on bargaining structure has been noted by Ramsay (1971:44). Brown and Terry (1979:131) have stressed the impact of managerial unionisation and movement of management

or divisional level. The aim being to provide a range of services that would not otherwise have been available to plant management. These services include legal advice, and general Industrial Relations information. Many of these services replicate those which are increasingly provided by employers' associations. They are often a result of increased government intervention in Industrial Relations.

Two examples can be quoted: changes in the law and incomes policy. Plant management may require legal advice on matters such as discipline, the closed shop, and dismissal. Over time they will build up some experience in dealing with these issues, but occasionally a new problem will emerge and advice will have to be sought. Plant management may also wish to be aware of any group policy that may exist on such issues.

In one case white collar unions were making great use of the Schedule 11 provisions of the Employment Protection Act. Plant management worked closely with Divisional management when preparing their submission to the Central Arbitration Committee. Similarly divisional management may help in the preparation of managements side in Tribunal cases.

The existence of incomes policy has also encouraged the provision of services. For example Brown and Terry (1979:131) note that group management needs to have an overall picture of pay bargaining within their organisation. This may require improved information flows of the kind noted below.

A further service provided to plant management is advice on Industrial Relations issues. (Thomson and Hunter 1975:38). Plant management may keep in close contact with group or division during a dispute for example. However at times this may be something more than pure advice. In some circumstances plant management may have little choice but to accept this advice.¹ However group management

¹ Especially if a manager's promotion prospects are tied to his ~~Especially if a manager's promotion prospects are tied to his~~ next section.

may insist this is advice, even if it cannot be ignored. To an extent management are playing with words to protect the 'sacred cow of decentralisation.' Brooke and Remmers (1978:78) found a similar pattern in the multi-national context. They quote one question as 'What does this English word advice mean?'

(c) Communication of Information

In most organisations there will be two overlapping communication systems: the formal and the informal.

The formal system may be based upon an elaborate monitoring and reporting system. As will be seen at the application stage a whole range of reports and statistics may have to be supplied by the plants to the centre.

In addition there will be a series of visits to and from the centre, meetings, conferences, and telephone contacts. These will take place almost continuously, and often will be mixed up with general business information about the organisation. At certain times e.g. during a dispute, these contacts may become critical. This is especially so if a dispute in one plant may have repercussions in other plants because of an integrated system of production.

Information will also be supplied on bargaining and the results of collective agreements. This may be supplied to the centre, and then circulated to all other plants. In Ford this flow of information was comprehensive and detailed. Group management would know almost immediately when production was halted in any of the plants throughout the country.

Many other contacts exist between managers in the different plants.

These are largely informal, but can nevertheless be significant.

This may be referred to as the 'grapevine' or 'Bush Telegraph'. These contacts may be between people who have previously worked together, or who have common interests. Dalton (1959) has laid particular emphasis on this clique formation. Such contacts may purely be used as an ad hoc basis but may be the only way in which plant managers can find out 'what is really going on'. These contacts may also be a highly useful source of advice and information. However Baker and France (1954:90) note that the informality of these controls makes them all the more difficult to penetrate.

Later Baker and France (1954: 151-4) note that various other forms of intervention may be used. A member of head office staff may participate in plant negotiations, or head office may draw up the basic agreement, the details of which are settled in the plant. No evidence for these kinds of Industrial Relations controls was found in these cases, however they may well exist in other organisations, e.g. Lucas.

Many of these Industrial Relations controls are aimed at controlling inter-plant union activity. However the use of these controls may have something of a 'snowball' effect. Their use may encourage the very activity they are aimed at controlling. For this reason management may employ Personnel control systems which are more long term. (CIR 1973:39-40).

4 Personnel Control Systems

The Industrial Relations controls described and analysed above

are mainly concerned with controlling one form of union behaviour; activity between plants within the same group. These controls are often ad hoc and tend to fluctuate in response to changes in this activity.

Control systems described in this section are somewhat different. They are usually more permanent and long run. They are designed to influence the behaviour of individual managers, and hence to indirectly affect Industrial Relations.

Two sets of control systems are described. First, those concerned with control over recruitment, selection, training, promotion and movement of managers. Second, control systems concerned with establishing a functional link between Industrial Relations management at the centre, and in the plant. These latter control systems are concerned mostly with reporting procedures.

(a) Controls over Management

The impact of these controls has been noted elsewhere. Goldner (1970:133) has noted that 'Despite our references to Industrial Relations as a corporate entity, no organisation as such was set up' instead the power of group Industrial Relations was largely 'defined by corporate Industrial Relations power over career lines of the Company Industrial Relations Personnel - the power to appoint, the power to remove, the power to transfer and the power to promote.'

Central management control over the recruitment, selection, training and movement of management allows them to potentially regulate the ability and expertise of management in particular roles. (CIR 1974:17). The priority given to Industrial Relations may be reflected in the calibre of managers recruited for such

posts. If Industrial Relations is accorded a low priority then it may be difficult to recruit people with sufficient ability for the task. This may only add to the low priority of Industrial Relations.

Certain groups of managers may be subject to these controls. Graduates and senior managers may be moved about on a national or international scale. Movement may be crucial to an individuals career progression. Goldner (1976:133-5) notes that often it may not be a question so much of whether the manager moves or not, but at what speed he does so. He quotes one manager as likening this movement to a 'gigantic chess game.'

This is not to say that all managers are moved about at the whim of central management. In most cases they will have some choice. However this may be an unreal choice if their promotion depends upon their willingness to move. Directors tended to form a small specialised unit in the organisations. They were often moved around when their skills suited a particular vacancy.

Central management may also be responsible for training or management development programmes. They may attempt to achieve a consistent company philosophy amongst their senior managers. This is not to say that managers are easily brainwashed. Often they will reject the more obvious persuasive measures used by such development schemes.

All of the cases had control systems of this type. In Ford managers were moved between European plants. While in Tubes and Rolls this was nationally based. In Rolls this movement took on a particular pattern. Managers tended to move between the plants and the centre, but rarely between the plants.

(b) Functional Control

Functional control systems are aimed at increasing group or divisional influence in the plant. (Goldner 1970:132-3); Baker and France (1954:202). They may take a number of forms.

For example an Industrial Relations manager may be responsible not only to a senior line manager in the plant, but also to his functional head at the group or divisional level.

The strength of such functional links may be an accurate indicator of the actual degree of central control. Baker and France (1954:60-1) stress this point. They note that 'The plant Industrial Relations staff representing an extension of headquarters staff into the plant is also a factor in centralisation. As a member of the staff the plant executive, the local Industrial Relations manager also represents the view of headquarters. In the latter respect he is facilitating decentralisation. Which part of his job is given greater emphasis is one measure of the balance between centralisation and decentralisation.'

This certainly seems to be so in the cases studied. As will be shown in Ford plant Industrial Relations managers played a big part in day-to-day control and were also in close contact with group management. In Rolls and Tubes day-to-day involvement was less, while Industrial Relations managers still had close links with group and divisional management respectively. GEC Industrial Relations managers were virtually solely responsible to plant managers and had relatively little contact with group management. (CIR 1974:18,31-34).

Thus the strength of the functional links between the centre and plant Industrial Relations management appears to reflect the overall focus of control within the organisation.

There appears to be a connection between the strength of these functional links and central management's control over promotion.

If group or divisional management has a significant influence over a manager's promotion prospects then it is likely that he will conform to their functional controls. For as Fox (1971:85) has suggested 'progress up the ladder depends on the grace and favour of his superiors, which means that his orientation to their goals must appear clear and unequivocal.'

Plant management may in fact evaluate which of the two sets of people he reports to will have the bigger influence on his promotion. This may lead to the situation described by Winkler (1974:202) 'subordinate managers have a strong incentive not to communicate upwards information. They are under pressure to hide problems in the hope that they can reach covert accommodations with workers before the director finds out. Normal management reporting systems are in the Industrial Relations context, systems of concealment.' The CIR (1974:16) has summed up the connection between functional and promotional controls. They note that:

'In many multi-plant concerns the avoidance of precedents was achieved by the control of veto from what appeared to be advisory Industrial Relations departments at the group, but which in reality exercise a firm control through associated functions such as management development policies. In a number of cases it was explicitly acknowledged that disputes at plant level which arose out of plant management's failure to accept group advice was an important factor in determining their career advancement.'

C APPLICATION

Application is the final stage in the process of management control over Industrial Relations. It is important to define how this term is being used in this context. Most commonly this phrase would be taken to include the negotiation, administration and implementation of agreements. In addition to this it is taken to include the exercise of other control systems not directly concerned with Industrial Relations, e.g. production and financial decisions.

Two questions need to be asked when looking at the application stage of control. The first deals not so much with what is being applied but with who is responsible for the application. This involves a discussion of the relationship between line and Industrial Relations management in the plant. The second examines the division of responsibility for actually making, as opposed to taking decisions between plant management and management outside the plant.

1 Line and Industrial Relations Management

Attempts to differentiate between management functions within the organisation have usually been based upon the concept of line and staff (see Dalton 1959). However this classification is not without its problems. In many cases there may be a number of other divisions which may override those between line and staff, e.g. divisions between different departments.

However it is possible to speak of a distinction between line and Industrial Relations management (Brown 1973:164-66).¹ Legge (1978:50-59) has commented upon this type of division. She notes

¹ See also Slichter Healey and Livernash (1960:898) for a discussion of the significance of these differences.

that the line manager may have a stereotypical view of the personnel specialist, often feeling that these specialists are completely 'out of touch' with the realities of line management.

Considerable differences were displayed by the cases with regard to the balance between line and Industrial Relations management responsibility.

In Ford Industrial Relations management plays a significant role in the application of control on a day-to-day basis. These specialist managers had taken over many of the responsibilities of junior line management. However these managers were also in close contact with group management. This pattern of control seems to be a consequence of Ford's bargaining structure. Despite having group level agreements some bargaining took place at plant level. In an effort to control and confine this group management have extended the role of Industrial Relations management in the plant. So it is very much the case of group management representatives negotiating with shop stewards in the plant. The attempt here is to avoid the setting of precedents and anomalies which could be 'read across' between plants. Management's hands in the plant are not completely tied. But they must work within the confines laid down by group management.

Plant management in this case may deliberately exaggerate the influence of group management on all issues. This then gave them the opportunity to bargain away and undermine this authority which they had artificially created in order to obtain concessions from the unions. This was referred to as the 'illusion of parent autocracy'. Industrial Relations management in Ford are faced with the classic case of having two bosses. They are responsible to both

their functional superior and the plant manager. The aims of these two may at times conflict, causing the Industrial Relations manager some concern over which to give priority to.

In all the other cases there was a plant bargaining structure of some kind. The result seemed to be that there was a much greater incidence of the 'ambiguity' of the role of Industrial Relations management of the kind noted by Legge (1978:21-26). For example there was often disagreement over what the role of specialist management ought to be. There was conflict over the influence Industrial Relations management should have on day-to-day matters.

In Rolls specialist management provided advice to line management on day-to-day issues, but did not take decisions in the way they might do in Ford. In Tubes Industrial Relations management tended to be treated as 'problem solvers' who would be brought in when a crisis developed. This was similar to their role in GEC, except that less priority was given generally.

There are broadly two roles that specialist Industrial Relations management can play in the application of control. Both are indicative of the ambiguity surrounding this role.

First the specialist manager may be involved in routine day-to-day matters. But if a major dispute arises they may be relieved of control. As Flanders (1964:254) notes

'Then men who have hardly given any thought to labour relations are suddenly forced to take important decisions. Then when the problems to be settled are most complex and call for careful, penetrating and informed judgement, as like as not they are handled by amateurs who trust their hunch as 'practical men of affairs.'

The second possibility is the 'vicious circle' of the kind described by Legge (1978:55-7). Specialist managers may be excluded from day-to-day matters and will only be called in as problem solvers. Their exclusion from routine matters will render them less effective in dealing with the tasks they are set. This will lower the priority given to Industrial Relations even further.

One reason for this type of role is given by Legge (1978:59-66). It is suggested that Personnel's contribution is difficult to measure. This is certainly the case if the nature of information communicated is considered. Industrial Relations information may be impossible to quantify. Goldner (1970:130) compares this with the 'harder' data available for production and sales. Where statistics are used in Industrial Relations Baker and France note (1954:84-6) that these may only give a vague guide as to whether specific policies are being applied. No indication can be given of the qualitative aspects of Industrial Relations. Often statements can only be expressed in terms of 'progress is being made'. The CIR note (1974:16-9) that even where such information channels exist they may not be used.

2 Plant and Central Responsibility

It is essential to make the distinction between the making and taking of decisions in the application stage. These are most easily confused when estimating the degree of decentralisation in any organisation. Although decisions may be taken at one level, e.g. the plant, they may actually be made at another level, e.g. the group. On some issues plant managers may take the decisions while directors at group level may actually make them.

With this in mind one must stress the level at which effective

decisions are actually taken, rather than where they may appear to be made. In this way directors at group level may be engaged in applying control.

Baker and France (1954:58-9) have stressed this point. They suggest it is essential to distinguish between the

'application of policies permitting some variation in decision on the one hand, and the transmittal of decisions or other supervisors-employee contacts not involving decision making on the other.'

Thus management may refer to decentralisation as 'the methods and personal relationships rather than the actual delegation of discretion in decision making.' Management may define decentralisation in terms of who is responsible for transmitting the decisions, rather than as who is responsible for making the decisions in the first place.

A good example is provided by a dispute in a group with a highly integrated system of production. During the period of research a strike took place in one of the Rolls plants. The level of integration was such that other plants in the group would soon be affected by this stoppage. Because of these group wide implications Industrial Relations management at group level became involved. At one point group management were actually making decisions regarding the dispute, although they were actually being taken by plant management. This was in an attempt to maintain the image of plant autonomy. Group management went to great lengths to preserve this autonomy using highly covert and subtle forms of intervention. At times non-IR management at group level pressurised the specialist managers to intervene directly. In the main these pressures were resisted because of the desire of Industrial Relations management to protect the illusion of plant autonomy.

There are occasions when such outside intervention can be useful.

Intervention from group level in plant matters can rejuvenate negotiations which have become bogged down. However this intervention is something which must be expertly timed. It is a 'trump card' which must not be wasted. Winkler notes (1974:205) that directors may deliberately cultivate this image of 'separateness' and 'anti-concern' so that their intervention may have an increased impact.

It is therefore essential as Brooke and Remmers (1978:22) have noted to distinguish between independence and discretion. Managers may be in positions of independence, while having very limited powers of decision making. A plant manager may be independent from group control for routine day-to-day matters, but this independence may be limited to these matters alone. If a dispute arises which influences other plants in the group, he may suddenly lose his independence.

The application stage of control may therefore be a good indicator of the actual degree of centralisation that exists within the organisation in practice.

Particular importance should be attached to the functional links that exist between plant and central management. The level to which plant Industrial Relations management reports may be indicative of the actual locus of control within the group. Therefore if Industrial Relations management has a high priority within the organisation and has strong links with the group or division this is likely to result in important decisions in Industrial Relations being made centrally.

Conclusion

This chapter has provided a framework for analysing the role of management in Industrial Relations. In particular it has recognised three stages in the control process. At each of these stages various control systems have been discussed. This has provided the opportunity to put bargaining structure in the context of the control process. Two sources of influence on management have been identified. First, those internal to the organisation such as size and technology. Second those external to the firm such as product market and the law.

The final question to be answered concerns the impact of the management control process on union behaviour. In particular the paradox noted at the beginning of this part needs to be explained.

CHAPTER NINE : EFFECTIVENESS OF STYLES OF MANAGING INDUSTRIAL RELATIONS

Introduction

Chapter Eight outlined a framework for analysing the style of managing Industrial Relations employed in any organisation. It described systematically the possible control systems that could be used.

At this stage the impact of these styles of managing Industrial Relations on union behaviour is examined. This will have at its core the relationship between bargaining structure and union behaviour. As noted previously one aspect of union behaviour unique to multi-plant organisations is studied: the comparisons and contacts made between plants within the same group.

In fact the focus here is slightly more precise. This chapter concentrates upon the effectiveness of management control over this activity. Management control is said to be effective if this union activity is regulated and made predictable. Thus the actual existence of inter-plant activity is not taken as the criterion for judging effectiveness of control. It is the control which management have over this activity that is important. Therefore there may be a high level of activity which is well controlled by management. Alternatively a low level of activity may not be under management control.

Comparisons are made between different styles of management in order to extract the crucial factors influencing the effectiveness of management control. This will enable the paradoxical impact of bargaining structure on union behaviour to be explained. Ford and GEC although having completely different bargaining structures enjoyed a high level of control over union behaviour. Rolls and Tubes, having similar bargaining structures had only a low level of control.

In order to explain this paradox the concept of 'ideal types' of styles of managing Industrial Relations is used. These ideal types are based upon, but do not completely represent the cases. They are abstractions from reality designed to make comparisons easier. This concept has a number of benefits.

First it exaggerates the predominate traits of the control process with a case, but is not dependent on a case. Second the types are not mutually exclusive and are used in combination. Finally the concept widens the applicability of the study but using the cases as the basis. Generalisations and hypotheses can be generated using ideal types in a way not possible if the analysis was solely restricted to case studies.

Thus it is the style of managing Industrial Relations in each case which is abstracted and idealised, not the actual case material itself.

Below the notion of ideal types is explained further, and then applied to the task of comparing effectiveness.

Weber was the first to develop the notion of an ideal type. Its use here has two attractions.

First, as a type it was designed to include a number of similar but complex phenomena. It enabled one to distinguish, analytically at least, between types which previously had been seen as largely homogeneous.

Second, the type was not seen as ideal in that it represented something desirable. But rather as Burger (1976:154) has noted 'ideal means that the conceptual content is abstracted from empirical reality in an idealizing or exaggerating fashion.'

Thus an ideal type exaggerates and highlights the salient characteristic of each case. This allows the differences, rather than the similarities between the cases to be compared more easily.

These four types analysed below represent only some of the possible styles of managing Industrial Relations.¹ They are those which have emerged from the cases studied. With different data a whole variety of other styles are possible. No claims are made for these styles to be comprehensive in any way. They merely represent the styles which appeared to be important in the cases studied.

¹ It may be considered unusual to develop four 'ideal types' from four cases, but it must be remembered that these cases were deliberately chosen to represent some of the major variations of large multi-plant organisations in the engineering industry. The use of 'ideal types' is more of a method of analysis than an attempt to represent all the major variations.

A IDEAL TYPES OF STYLES OF MANAGING INDUSTRIAL RELATIONS

The four ideal types outlined below exaggerate and simplify the predominant form of control in each case. They have three important components.

First, the types of control systems used and the levels at which they are located.

Second, the significance attached to and the use made of formal bargaining structure.

Finally the extent of inter-plant union activity and the degree of control which management appears to exercise over this.

The four ideal types studied are:¹

Parent Autocracy

Group Co-ordination

Divisional Co-ordination

Plant Autonomy.

1 Parent Autocracy

Management control is located primarily at Group level and covers finance, production, investment, Personnel and Industrial Relations control systems.

Within this type financial and production control systems operated in the plants are administered from group level. This style requires a homogeneity of product, but allows a highly integrated system of production.²

1 These ideal types are based respectively upon the following cases: Ford; Rolls; Tubes and GEC.

2 There are of course exceptions to this generalisation which on

Personnel control systems are also located at group level. These include control over recruitment, selection, training, promotion and movement of managers. In theory, at least, group management has a high degree of control over other managers. By use of these control systems group management can attempt to influence the characteristics, attitudes and expertise of management throughout the group. Also it is able to match up the demands of particular posts with the abilities of individual managers.

Major terms and conditions for manual workers are settled at group level for manual and staff workers. Agreements are written up, signed and detailed. There is complete parity of terms and conditions across all UK plants. This bargaining structure is likely to be associated with the development of 'green field' sites with standardised terms and conditions imposed from the outset.

Although formal bargaining takes place at group level some negotiations may take place in the plants. This would cover issues which are either omitted from the group agreement or are inadequately dealt with.

However group management will attempt to exercise control over this. It is likely that the Industrial Relations managers in the plants will assume responsibility for much of this bargaining. Close links will be maintained between group management and the managers in the plants. Bargaining in the plants will take place within the confines of the group agreements and under the scrutiny of group management.

Inter-plant union activity is based upon a manual combine comprising of convenors from all the plants. It is well organised and formally recognised by management. The combine constitutes the major part of the union side in negotiations. This main activity

between the plants is well developed but largely under management control.

Thus bargaining structure in this style occupies an extreme position along the continuum of bargaining levels. Also it is largely consistent or congruent with the other control systems employed by management. Finally it is seen as a major means of controlling union inter-plant activity and is largely effective.

2 Group Co-ordination

In this style finance, production, investment, Personnel and most Industrial Relations control systems are located at group level. Products will tend to be homogeneous, with a few variations of one type. Plants will usually be integrated, most producing components which are assembled in a few major sites.

Personnel control systems are also located at group level. These too are aimed at improving the integration of the group as a whole. Centralised control over recruitment, selection, training, promotion and movement of management will be aimed at promoting a feeling of belonging to a single organisation.

Collective Bargaining takes place at plant level, usually on a formal basis with detailed written agreements. A number of separate sites may be included within one plant agreement. It is likely that there will be major disparities between the plants on terms and conditions. One reason for this may be that such groups are the product of mergers. Plants that were previously part of another group are now part of the same group.

Bargaining structure in this style does not occupy an extreme position and is not consistent with many of the other control systems operated by management.

In an effort to co-ordinate plant bargaining Industrial Relations management may intervene from group level in a number of ways. Group management may set limits for pay increases and try to shape bargaining across the group as a whole, or may intervene directly in disputes.

Some of this co-ordination may be in response to the high level of uncontrolled union inter-plant activity. Inter-plant disparities are likely to encourage comparisons or 'read-across' between plants. In order to remove some of the more obvious differentials management at group level may equalise certain rates of pay or conditions. Such intervention may encourage union activity between plants still further. The overall result is that management have a generally low level of control over inter-plant union activity. Union activity of this kind may be restricted by differences of attitude and aims which exist between plants which prevent the co-ordination of action.

3 Divisional Co-ordination

In this type a number of important management control systems are located at Divisional level, for example financial, investment, Personnel and some Industrial Relations control systems.

A number of divisions may exist within the group, each based upon a series of products. There may be some integration of production within the Divisions, but not between them. Division management may supply funds for new investment projects, and set overall financial targets. This gives a strong but normally loose method of control. Plants which in the past have been run independently may now be coming

increasingly under the control of Division, especially if they have poor financial results.

Divisional control over the plants is strengthened by a series of Personnel control systems. These cover recruitment, selection, training, promotion and movement of managers. These controls are used particularly for graduates and senior managers.

Collective Bargaining is conducted at plant level for most issues. Negotiations are formalised with written agreements. As in the previous style it is likely that many disparities of pay and terms and conditions may exist between plants. This may be because plants were subject to few controls in the past and allowed to bargain independently. As these plants are brought together the differentials are highlighted.

Again therefore bargaining structure is not aligned or consistent with the other control systems used by management. Also the structure does not occupy an extreme position on the continuum of levels.

Divisional management may intervene to try and counter the inter-plant union activity or simply to provide advice and guidelines for bargaining. Guidelines may be strengthened for issues prone to 'read across'. Usually however such controls are ad hoc.

Within this style union activity will be present but poorly organised. Manual combines may challenge investment decisions at divisional level rather than seeking pay parity. While white collar activity may concentrate upon inter-plant comparison, particularly as non-salary items. Again inter-plant union co-ordination is limited by the sheer weight of plant based matters and divides between the plants. Hence the unions may be aware that for some issues plant autonomy is illusory, yet they are unable to challenge this at

the moment. But this is a highly volatile situation which may easily change.

4 Plant Autonomy

The majority of issues in this style of managing Industrial Relations are controlled from plant level, e.g. production and cost control systems. Groups with this style tend to have highly diverse product ranges with very little integration or contact between plants.

Financial and investment control systems are located at group level. These allow separate plants a great deal of day-to-day autonomy. In return for this the plants are expected to meet pre-determined financial ratios and targets which are set by the group. Plants are free to succeed, but not free to fail. Any plant performance regarded as unsatisfactory results in rapid investigation from group level. The Managing Director of each plant may be virtually completely responsible for the running of his plant, or for a series of closely related plants.

Styles of control such as this may be a consequence of the formation of the group. For example if the group is a result of mergers with a wide range of products centralised control on all issues is not feasible. But certain crucial subjects, mostly financial, can be controlled from the centre. Such control systems may have been used to rationalise production after a merger. The extremes of plant autonomy and parent autocracy exist within one style. Indeed such a combination may be vital to managing a highly varied and complex group. It appears that the greater the degree of decentralisation, the greater is the need for some form of overall control. This is referred to as the 'paradox of decentralisation.'

There are very few Personnel control systems seen in previous styles. Group management provides information, advice and training facilities. But in general the focus is on the plant.

Bargaining in this style will take place at or below plant level. The low attention given to Industrial Relations may mean that few issues are formally negotiated at plant level. Many issues may be the subject of informal negotiations and custom and practice at shop floor or department level.

Bargaining structure is therefore at the extreme of the continuum in terms of level and form. Also bargaining structure is largely consistent with the majority of the other plant based control systems used by management.

In styles such as these union activity between the plants is likely to be very limited. Despite the fact that significant disparities may exist between the plants neither manual or white collar unions engage in inter-plant activity. Management has little need for the Industrial Relations controls seen in other styles. Management has effective control over inter-plant union activity.

B COMPARISON OF STYLES OF MANAGING INDUSTRIAL RELATIONS

Comparisons can now be made between the styles on the basis of their effectiveness of control. This is defined as the degree of control afforded by each style over inter-plant union activity. This may be irrespective of the extent of such union activity, and is concerned with whether it is controlled by management.

It is immediately evident that effective control is not linked to the control systems employed by management in any simple way. At first sight there appears to be no consistent relationship between the attention and resources devoted to Industrial Relations and the effectiveness of control over inter-plant activity. Opposite styles of management seem to result in similar degrees of effectiveness. This paradox is explained below. However first the argument must be retraced.

The initial point to be stressed is the range of control systems that exist within any one style of management.¹ When attempting to control Industrial Relations management do not rely solely on bargaining structure. In addition various other control systems are used. Some styles place great emphasis upon highly visible structures, while others seem to achieve similar results by means of more covert and subtle techniques.

As a consequence of this it is evident that management do not occupy one extreme structural position or another. To suggest that management have to choose between extremes of bargaining structure

¹ Reference should be made to Table 6 for a summary of the controls used in each style.

(as is typified by plant autonomy and parent autocracy) is to pose an unhelpful dichotomy. Combinations of structures and controls are used which are not easily assigned to one position or another.

Thirdly management do not simply adopt a compromise between these two extremes. Management do not attempt to merely achieve the advantages of the extremes by adopting a 'mid way' position. In practice the tactics used are more sophisticated. Two examples can be quoted.

When bargaining in the plant management are faced by a number of constraints emanating from the various levels of management. It is possible that they may stress different constraints depending upon the issue in question. Management may alter their reference group in bargaining to suit their argument. On some issues, e.g. pay, management may stress the independence of their plant. If shop stewards in the plant make inter-plant pay comparisons management may insist upon their own autonomy. They will emphasise that pay settlements must be based upon the plant's ability to pay. On other occasions management may use a quite different reference group. For certain subjects eg. fringe benefits or holidays, management may emphasise the constraints that are placed upon them by group or divisional management. They may suggest that although they may want to concede their 'hands are tied'. In these examples management may emphasise different constraints or reference groups depending upon the subject.

There are other occasions when the same issue can potentially at least be dealt with in a number of different ways. For example a dispute can, in theory at least, be dealt with by shop floor, plant,

division, or group management. Often the level used will depend upon the 'seriousness' of the dispute. Minor disputes will be dealt with in the plant, while major disputes affecting the whole group will be dealt with at a much higher level. Management therefore have a number of control systems which they can use to solve any one problem. In this case management occupy a number of different positions at the same time and for the same issue.

Not only can different issues be referred to various reference groups by management, but also the same issue can be dealt with in a number of different ways. These two examples constitute an important resource for management which is not available to unions to the same extent.

One would think that this flexibility would be a crucial factor in determining management's control over inter-plant activity. That is the more positions management could adopt the greater its chances of solving one problem. However this does not seem to be the case.

The degree of flexibility appears to be linked to the style of management adopted. For example flexibility should increase as the resources devoted to Industrial Relations are expanded. With increased attention management would have a greater range of services on which it could rely.

But it has been seen that the style of management and degree of effective control are not consistently linked. A higher degree of attention given to Industrial Relations does not result necessarily in increased control. Flexibility does not appear to be the intervening variable between the style of management and effective control. Flexibility may be important in certain circumstances, but does not appear to be crucial in extending management control over inter-plant union activity.

In order to explain the paradox of management control it is necessary to consider the legitimacy of management authority in each style.

1 Legitimacy

The concept of legitimacy is a useful one for understanding the effectiveness of different styles of managing Industrial Relations:

Brown (1972:48) notes it is essential to ask the question legitimacy for whom. In this case it is the legitimacy of management control from the employees perspective which is being examined.

For Fox (1971:34) management control is legitimate if it takes the form of a non-coercive authority which is acceptable to both sides. If this legitimacy does not exist then management will be seen as exercising coercive power against the interests of the unions. But as Fox (1971:47) notes it is rare for there to be complete acceptance or rejection of management's position. In most cases there will be a conflicting legitimacy which may detract from management's authority. For example unions may accept the overall authority of management while challenging certain specific aspects of the exercise of this authority, eg. collective bargaining. As will be shown below it is not the reality of management control which is important so much as the image of it that is perceived by the workforce. Also it will be evident that the ability to challenge managerial legitimacy may be limited by material and ideological factors.

Fox (1971:39-42) has analysed the bases of managerial legitimacy

which management seek to support their authority. The concept of ideology is central to this discussion.

He notes (1971:39) that 'we are concerned with the ideas and values by which management validate its procedural norms. In this quest for legitimacy, ideologies are pressed into service in the hope of promoting agreement on these values.' Later he suggests (1971:124) that 'ideology is a resource in the struggle for power since it shapes the way in which men perceive, think, feel and act. Management seeks to propagate an ideology which justifies its behaviour, legitimizes its rule, evokes loyalty and commitment on the part of lower as well as higher participants, and serves as a support for those norms and values which are congruent for its goals.' However Fox does point out that ideology should not be seen in a deterministic fashion since (1971:125) 'On neither the management nor the collectivity side does ideology take the form of a consistent and related body of ideas and values. Rather does it consist of a ragbag of assorted notions fashioned to suit varying exigencies, sometimes quite incompatible with each other.'

It must be noted that the above simplifies the situation somewhat. Two points will be briefly mentioned now and developed further below once the bases of legitimacy have been outlined.

First the 'reality' of management control or ideology may not always be the crucial factor. This may take one form, while employees may perceive the situation in a completely different way. Hence it is essential to take account of the image of management control and ideology as much as the reality. It is this subjective aspect of legitimacy which is the crucial factor in determining managerial authority. The projection of an ideology by management can be studied. But also it is essential to investigate how this image is received and

interpreted by employees. On some occasions the image will correspond with reality, while on other occasions it may not.

Second the challenges to managerial legitimacy must be studied. In particular the conflicting ideology of the trade unions must be investigated. This conflict takes place often in bargaining. Each side is trying to convince the other of the validity of its position. In particular the obstacles to this union challenge, both material and ideological must be studied.

Fox (1971:38) has noted some consequences of such challenges. He notes that management may react with increasingly sophisticated techniques in order to protect its ideology, or it may resort to coercive power. 'Finding its authority failing, management falls back on the coercive sanctions of power, only to find that this further undermines its own legitimacy, which in turn prompts the intensified use of power.'

The concept of legitimacy can be applied to the multi-plant context. Two aspects must be considered. First the ability of management to justify and legitimate its authority. Second the ability of employees and unions to challenge this legitimacy by inter-plant activity.

In this context only one aspect of managerial legitimacy is dealt with: that concerning different levels of management. It is suggested that there are a number of sources or bases which will influence the extent to which the authority of various levels of management are seen as legitimate.

A group with plant bargaining can be taken as an example. Although agreements are made at plant level the legitimacy of plant management's authority may be low. The stewards may feel that plant management do not have complete control, and hence may seek to challenge their

authority. They may do this by attempting to conduct bargaining at the level at which effective decisions are made.

Therefore for a number of reasons, which are examined in detail below stewards may doubt the legitimacy of the level of management with whom they bargain. They may feel that plant management are only a front or obstacle protecting those who actually make the effective decisions. Shop stewards may challenge this authority by making inter-plant comparisons at the level at which they feel important decisions are made. Or they may seek to bargain directly with those whom they feel are responsible for important decisions. For whatever reason shop stewards will engage in inter-plant activity where they doubt the legitimacy of the level of management with whom they bargain.

In putting forward this challenge the stewards are providing support for a more general statement made by Clegg (1976:10). 'Collective bargaining has its regulatory effect by restricting and controlling managerial decisions. Consequently it has its best chance of being effective when it operates at the points where managerial decisions are taken.'

Such inter-plant activity is not solely a consequence of doubt about plant management's legitimacy. Inter-plant comparisons may simply be pursued because they add strength to a union argument in bargaining. As such they are only one form of a whole series of comparisons made by unions.

Brown and Sisson (1975) and Hyman (1975) have both noted the significance of pay comparisons in wage bargaining. Hyman (1975:74) notes that 'they form the bread and butter of trade union arguments over wages'. Brown and Sisson note (1975:23) that the pursuit of fair comparisons may produce a 'mechanism of wage determination beyond the scope of conventional labour market forces'. These authors

concentrate upon intra-plant and intra-occupational comparisons and conclude (1975:44) that the use of comparison 'has been an influence upon wage determination of outstanding importance.'

Thus it can be established that the notion of comparison is at the heart of many conceptions of fairness in pay. In the multi-plant context such comparisons may be used in support of arguments seeking to reduce inter-plant differentials. It may be thought 'fair' that plants in the same group should enjoy the same pay and terms and conditions.

Inter-plant activity may not only be a consequence of doubts about managerial legitimacy but is also a function of fairness. However indirectly notions of fairness may be attached to the concept of legitimacy. For example if the authority and independence of plant management is accepted this may inhibit inter-plant comparisons even though large differentials may be present. Notions of fairness may be plant based, rather than group or divisional based.

The sources or bases of managerial legitimacy can be analysed in the following way.

Three bases of managerial legitimacy in multi-plant organisations can be recognised.

The congruency or consistency of controls and structures employed by management may be a crucial influence upon the legitimacy of management.

For example legitimacy may be strengthened if non-IR, Personnel and Industrial Relations control systems are aligned with one another.

Should these not be in harmony then it is possible that shop stewards in the plant may become curious, if not confused, as to what is the effective level of control within the organisation.

The existence or lack of consistency can become complicated by two points. First, there may be an incongruency which management may be aware of, but which is not perceived by shop stewards in the plant. Second, stewards may be aware of this disharmony, but they may be unwilling or unable to do anything about this. However the initial point remains valid, if the controls are aligned the potential for inter-plant union activity is that much less.¹

The ability to refer to external determinants of action is another important resource for management in its search for legitimacy.

Managerial actions and structures can be justified and validated by making references to external forces. Legitimacy may be further increased if management can create the impression that they have 'no control' over some of these factors. Management may suggest that they have 'no choice' but to take a particular course of action. For it is not their choice, but forces over which they have no influence which are dictating to them.

This may of course be the case on some occasions. Management may be forced to take one course of action simply to survive or maintain a minimum level of profitability. But there are also other occasions when management may stress those influences which support and add weight to particular actions or decisions. In this way management are able in some ways to 'interpret' the influence of their environment to suit their own purposes. A similar point has been made by Child (1973:93) in his criticisms of 'contingency theory'.

1 See CIR (1974:59); Thomson & Hunter (1975:21)

This ability may be well suited to Industrial Relations decisions. For it has been shown that many of these are derived from other decisions made inside the firm. Many of the constraints within which Industrial Relations operates emanate from inside the organisation. Hence it is possible to alter the amount of emphasis placed on each constraint depending upon the situation.

Overall it appears that groups with the most extreme structures and controls seem best able to explain these away in terms of external constraints.

Finally the existence of a strong or unified managerial philosophy seems to strengthen managerial legitimacy in two ways.

First it will provide a continual and comprehensive rationalisation for management's position. Ideally, at least, it will provide an all embracing and consistent explanation for a whole series of management actions and structures. It will therefore provide a focal point for the organisation, and give the employees something with which they can identify.

Second the philosophy may represent a whole series of traditions and beliefs that have been built up over a long period. The philosophy may sum up the culture of the organisation, and will often be regenerated by the process of socialisation. Brown (1972:54) refers to this as 'customary legitimacy'. Such a philosophy supported in this way may be highly resistant to change since it develops its own inertia.

Managerial legitimacy is not the only factor influencing inter-plant union activity. It is essential to consider the factors which may inhibit such activity. Hyman (1975:82) has divided these into 'ideological' and 'material' factors.¹

¹ This discussion is continued in the following Chapter.

A common factor inhibiting inter-plant activity is the traditional attachment of employees to their own plant. Such loyalty may be particularly strong in small plants run in the past on paternalist lines. The result may be that employees may ignore management interference from outside the plant, and care little that large differentials exist between plants in the same Division or Group.

A good example of this existed in the Tubes plants. Both plants had been run in an autocratic paternalist manner and enjoyed considerable operating autonomy. Many employees still based their attitudes upon the earlier period, although those conditions no longer prevailed. The inward looking and parochial attitudes developed in the past severely inhibited inter-plant activity. The CIR (1974:23) have noted that management in the plant may try to emphasise such attitudes. They note plant management 'have built up the authority of senior stewards as part of a deliberate policy of retaining control of Industrial Relations matters generally within the organisation.'

The traditional attachment to the plant may be challenged by overt demonstration of divisional interference. Management in the plant go to great lengths to play these down. The result may be confusion within the workforce as to the effective level of control.

Second are the more pragmatic or material obstacles to inter-plant activity. The result of these is that shop steward power outside the plant is extremely limited.

The majority of issues and problems confronting shop stewards are at plant level in most cases. This is of course a consequence of the bargaining structure. Shop stewards are dependent upon the workforce for their support and must appear, at least, to be serving their interests. This requires that they concentrate upon plant based issues. Often the sheer weight of plant based matters means that stewards have little time or inclination to engage in inter-plant activity. Often

such an activity will be undertaken with the hope of improving the bargaining position within the plant. Fox has made a similar point (1971:127) 'In situations where men are conscious of incongruency but are prevented from organising themselves collectively they seek to justify and rationalise self-seeking behaviour with an appropriate individualistic ideology.'

Therefore when faced with the need to satisfy their members shop stewards rationalise their behaviour even in the face of marked inter-plant disparities.

Even if there is demand to set up a combine there are many obstacles to be faced.

The CIR (1974:35) notes a number of prerequisites for setting up effective combines. These include a willingness to co-operate, provision for time off and access to information.

Beynon and Wainwright (1979:169) have noted that conflicts or divisions can exist between plants. This was well demonstrated in Rolls. A number of factors contributed to the disharmony between the plants. These were personal conflicts, and a feeling that some plants adopted an elitist attitude. But perhaps most important was the pay disparities that existed. Those plants at the top of the earnings league would do nothing which would put this position in jeopardy. They would support the combine on certain issues, but would not press for group bargaining leading to an elimination of their hard won differential. Management were not unaware of this feeling and may at times exaggerate such attitudes. In doing so they are pursuing a policy of 'divide and rule'.

Brown and Sisson (1975:45) have noted the importance of information flows. The availability of such information is the crucial raw

material upon which comparisons are based. As the authors note 'Information, whether true or false, is essential for there to be a basis for effective comparisons'. The availability of such data may alter if there is a change in bargaining structure or payment system. For as Brown and Sisson note 'The major cause of the growth on intra-plant comparisons on Fleet Street was the quite fortuitous fact that 'comprehensive' agreements made pay levels clearly identifiable which had hitherto been obscured by the complexity of the pay system'. This was certainly the case in Rolls where a change to measured day work some years ago improved union ability to make meaningful comparisons. Inter-plant differentials could no longer be written off as a consequence of complex systems of pay bargaining. It is possible that white collar unions may have a better access to information. (Brown and Terry 1978:131). The result may be that certain unions eg. ASTMS may attempt to match the style of managing Industrial Relations. For example they may attempt to bargain at group or divisional level while management insists on bargaining in the plant.

It appears that these unions have acknowledged the changes that have taken place in bargaining structure. They realise that it is not the extremes of shop floor or industry which are important, but plant or company level. Changes such as these are discussed by Ramsay (1971:44).

Managerial opposition to combine activities may result in no time being allowed to shop stewards to engage in inter-plant activity. Certainly there is no legislative provision for such time off.

Official trade union opposition (CIR 1974:35) may starve combines of funds. One possible reason for union hostility is that they see such organisation as a threat to the established institutions.

Management are likely to be aware of these inhibitions and obstacles and will use them to their own advantage.

At the very least management will do nothing to weaken those factors limiting inter-plant activity. For example they will avoid overt displays of extra-plant managerial influence as far as possible.

It is possible that a total refusal to recognise a combine may actually encourage such activity. The shop stewards may be suspicious of the uniform attitude taken by plant management. Also they may feel that their activities are important enough to be ignored.

Occasionally a different tactic may be used. If faced by a combine that is almost inevitably strong management may choose to formally recognise the body. The combine may come under the influence at least of management and its effectiveness may be weakened. This has been noted by Hyman (1975:193) 'once industrial conflict is openly articulated, it stimulates institutions of regulation which limit its disruptive manifestations'. As shop stewards attempt to organise their activities they may find that they are forced to limit their efforts.

This seems to have been the case in Ford. Beynon and Wainwright (1979:169) have noted that Ford management recognised the combine simply because it was too powerful to ignore. Management then incorporated the combine into the negotiating structure in an attempt to control its activities.

The styles of managing Industrial Relations can now be compared using the bases of legitimacy and the factors inhibiting inter-plant activity as a guide.

The styles will be compared in pairs. The two styles with the highest degrees of control¹ will be examined first. Second the styles with low degrees of control² will be investigated.

1 Plant Autocracy and Plant Autonomy

2 Group Co-ordination and Divisional Co-ordination

2 High Degree of Effective Control

The two styles with a high degree of control also enjoy a high level of legitimacy. This appears to be for the following reasons.

First the controls and structures employed by both of these styles are in harmony within each organization. The majority of non-IR control systems are aligned with Personnel, Industrial Relations and Collective bargaining control systems. The result is that each control system reinforces and supports the other.

In Parent Autocracy the majority of formal control structures are at group level. While in Plant Autonomy they are primarily located at the plant. The control of systems are internally congruent and consistent. There is little to provide confusion concerning the effective level of control. Both cases present a clear and unambiguous image which is difficult to challenge.

The result is that in Plant Autonomy shop stewards in the plant give little thought to using inter-plant comparisons. While in Parent Autocracy the combine is formally recognised at group level and at least partly under the influence of management.

Second, both of these styles assume extreme and totally opposite management and bargaining structures. This seems to have two benefits.

These styles enjoy the benefits of this extreme formal structure. In one style this gives parity of terms and conditions, while in the other demands for parity are virtually eliminated.

A second benefit is that external structures appear to be more easily justified by reference to external determinants. It appears that management can only have adopted these extreme positions because of powerful forces which are not easily resisted. The structures have a degree of inevitability about them. Managers are able to point

to highly visible and strong determinants in order to legitimate their actions.

In Parent Autocracy reference is made to the high level of integration of production leading to group level bargaining. While in Plant Autonomy the independence of plants is justified in terms of the highly diversified product range.

Management will argue that 'we have no option but to act in this way for these reasons! As has been noted previously management are not completely powerless in this situation. At certain times for example when setting up the organisation, or after a merger, management may have control over some of these influences. Factors such as the influence of technology undoubtedly have a big impact in the short run. The characteristics of the technology employed can place severe constraints on the ability of management to make decisions. However in the long run management does have some choice in the type of technology it employs.

Finally both of these styles have clearly identified, but completely contrasting philosophies of management. It is the strength and consistency of these philosophies rather than their details which are important for the legitimacy of management.

This philosophy may have been built up over time, or emanate from one central figure such as the Managing Director. The result is that a continuous source of legitimacy is provided. Sadler (1966:16) has noted the significance of an identifiable style for individual managers, but the same lesson can be applied here. He notes that 'leaders who are seen as having distinct and identifiable styles of leadership are more effective in promoting confidence and satisfaction, whatever style they adopt, than those who do not have a distinctive style'. A clear and identifiable style is essential for effective

control, while the actual content of this style may be secondary.

In both of the styles analysed above two characteristics are present. First management authority is seen as legitimate because of the strong bases present. Second inter-plant activity is either high and controlled by management or virtually non-existent.

This high level of legitimacy and consequent control over inter-plant activity has one further benefit. Both cases are able to indulge in occasional actions which completely contradict their established positions. Their legitimacy is so strong that it can survive these exceptions.

For example in Parent Autocracy there is bargaining in the plant despite formal negotiations taking place at group level. This bargaining does not detract from the importance of group negotiations, and in fact may allow it to be maintained. Similarly in Plant Autonomy there are occasional examples of a high degree of central control. Yet these events do not threaten the overall legitimacy of the autonomy of each plant.

Instances such as these quoted tend, in these styles, to be treated as 'exceptions which prove the rule'. The result is that there is a high degree of potential flexibility in these styles which is not manifest, but latent. In order to achieve this flexibility management must first establish the legitimacy of various levels of management in the eyes of the workforce.

These two styles do not simply adopt a compromise between two extremes. In fact by assuming one of these extreme positions they are able to establish the legitimacy of managerial authority. Having established this legitimacy both styles can occasionally adopt a number of conflicting positions which are unlikely to be challenged. It is

possible therefore that by adopting extreme positions these styles may possess a greater degree of flexibility than those styles which deliberately seek a compromise position.

3 Low Degree of Effective Control

The two remaining styles can be compared in a similar fashion.

First both Group Co-ordination and Divisional Co-ordination exhibit a considerable lack of harmony of control systems within their organisations. Their controls and structures are not aligned.

For example in Divisional Co-ordination there are financial, Personnel and Industrial Relations control systems at Divisional level, while production and collective bargaining control systems are largely plant based. Similarly in Group Co-ordination Production, financial, Personnel and Industrial Relations controls are at Group level, while Collective Bargaining is plant based.

The result in both styles is a high degree of confusion and ambiguity about the effective level of control. Shop stewards in the plant may suspect that if many controls emanate from group level, Collective Bargaining may also be controlled from there, no matter what the formal structure might be. The shop stewards may doubt the legitimacy of management because of a lack of a clear cut or sharp image of the authority of various levels of management. Shop stewards are virtually encouraged to question the authority of plant management in bargaining because of the doubt and confusion that exists. Although management may continually stress the autonomy of each plant, many of their actions not directly concerned with Industrial Relations may undermine this.

Union inter-plant activity aimed at challenging management's

position takes place but is limited. The main constraint appears to be the divides that exist between the plants. Often these may be a consequence of the plant bargaining structure. Those plants with high earnings may want to maintain their differentials.

Second, neither of these styles occupies an extreme structural position. Both seem to have deliberately aimed for a compromise position, a middle way approach along the structural continuum. Two consequences are apparent.

These styles do not benefit from the advantages of having a structurally extreme position. Rather than achieving the advantages of the positions they combine, they seem to encounter the difficulties and drawbacks of both. For example they have neither total control over inter-plant activity, nor have they eliminated the existence of such activity.

These compromise positions seem to be more difficult to justify in terms of external determinants. It appears that either there are no strong pressures, or that these pressures have cancelled themselves out. The result being the middle way position that the two styles occupy. Management do not seem able to introduce the element of inevitability that surrounds the structures and actions in the two preceding styles.

Finally neither of the styles has a dominant and easily identified management philosophy. There is no consistent means of justifying management actions and decisions. This only adds to the confusion and doubt in these styles, rather than helping to eliminate them as previously.

Shop stewards in the plant may doubt every action that management take, and will be suspicious of the interference of management from outside the plant. Confusion is therefore the established norm.

At present the ability of the unions to pursue their doubts is limited. However these limits are not the result of management control, as in the previous styles, but a result of the unions own divisions. Inter-plant activity could potentially be at a high level, because of management's unwillingness or inability to control this activity. Managerial control of inter-plant activity is not the result of their own actions so much as the inability of the unions to organise effectively. However this is a delicate balance. If an issue arises which unites rather than divides the plants management policy will be undone. Such an issue would allow the contacts already existing to be more fully developed.

The comparisons made above are briefly summarised by Table 7. This outlines the characteristics of the bases of legitimacy in each style.

Put simply it is evident that a two way classification exists. Those styles having a high degree of legitimacy can be differentiated from those which do not. In these examples union ability to engage in inter-plant activity is also limited by a number of obstacles. It is possible that in other cases these obstacles will not exist. Also this activity may not be controlled by management. This would result in a high degree of uncontrolled inter-plant activity. Something which does not yet exist in the two cases quoted with low effective control.

This examination explains one paradox only to reveal another. It appears that the styles with a greater degree of legitimacy are those which adopt controls which are consistently extreme and backed by an identifiable managerial philosophy. Once established, this legitimacy then allows management an unlikely degree of flexibility. This

flexibility is likely to be greater than that existing in styles which deliberately seek or compromise position. In these styles the lack of legitimacy leads to a continual questioning of actions and hence severely limited flexibility.

The paradox is now clear: in order to achieve flexibility management must first adopt an extreme and inflexible position. Only in this way can the legitimacy needed to exercise flexibility be generated.

4 Conclusion

The apparent paradox revealed earlier can now be explained. Effective control by management of inter-plant union activity is not solely dependent upon the characteristics of the style of management e.g. the resources devoted to Industrial Relations. Rather control is dependent upon the legitimacy accorded to management by the workforce and the obstacles to inter-plant activity.

For example the control achieved in Parent Autocracy was not simply a consequence of the resources devoted to Industrial Relations. More important was the legitimacy of management from the workforce's perspective, and the obstacles to union inter-plant activity outside management control. Similarly in Plant Autonomy despite devoting very limited resources to Industrial Relations effective control was achieved by managerial legitimacy and obstacles to inter-plant activity.

It is necessary therefore to examine in detail the bases of legitimacy and the nature of obstacles to inter-plant activity before the effectiveness of a particular style can be explained.

TABLE 6 : MANAGERIAL CONTROL SYSTEMS

	Parent Autocracy	Group Co- ordination	Divisional Co- ordination	Plant Autonomy
Formal level of Collective Bargaining	G	P	P	P
Collective Bargaining in practice	G +P	P +G	P +D	P
<u>CONTROL SYSTEMS</u>				
<u>Production</u>				
High Integration	✓	✓	✓	✓
Low Integration				
<u>Financial</u>				
Budgets	✓	✓	✓	✓ ✓
Ratios	✓	✓	✓	
Cost	✓	✓	✓	
Investment	G	G	D	G
<u>Personnel</u>				
Recruitment	G	G	D	
Training	G	G	D	
Promotion	G	G	D	
Movement	G	G	D	
<u>Industrial Relations</u>				
Co-ordination negotiations	G	G	D	
Communicating information	G	G	D	
Guidelines	G	G	D	
Day-to-day influence	G	P	P	P
<u>Collective Bargaining</u>				
Preparation for negotiations	G	P	D	
Monitoring of negotiations	G	P	D	

G - Group

D - Division

P - Plant

TABLE 7 : COMPARISON OF STYLES OF MANAGING INDUSTRIAL RELATIONS

	Parent Autocracy	Group Co-ordination	Divisional Co-ordination	Plant Autonomy
CONTROL SYSTEMS ALIGNED	✓	×	×	✓
EXTREME STRUCTURAL POSITION	✓	×	×	✓
STRONG MANAGEMENT PHILOSOPHY	✓	×	×	✓
LEVEL OF TU ACTIVITY HIGH	✓	✓	✓	×
HIGH CONTROL OVER TU ACTIVITY	✓	×	×	✓

CHAPTER TEN : IMPLICATIONS

Introduction

The aim of this chapter is to put this study in its context by considering some of the implications of the research. This involves recalling some of the introductory comments made in the first chapter and re-evaluating them in the light of the findings.

Although this study has examined some of the main types of large multi-plant engineering organisations it has had a relatively narrow focus for two reasons. First, it is necessary to pinpoint a specific subject to provide an argument with some direction and consistency. Second, resources of time were very limited and prevented really extensive fieldwork.

For these reasons this thesis has looked at specific examples of management's attempts to control Industrial Relations. From these cases a number of tentative concepts and hypotheses have been generated.

It is now possible however to draw out some of the wider implications of this study. This is carried out in two ways. First by considering the present day consequence of the findings for management, unions and the reform of Industrial Relations. Second, putting the study in its theoretical context by discussing some of the possible future areas of research emanating from this thesis. Broadening the study in this way will throw light on possible developments in Industrial Relations. For example evidence within the study can make a contribution to the debate developing over the growth of single employer bargaining.¹

¹ see Brown & Terry (1978)

By way of introduction the principal findings of the research relevant to this discussion are recalled.

Chapter Three argued that the level of bargaining cannot be looked at in isolation from the other dimensions of bargaining structure. This study has however concentrated upon the bargaining level, with relatively little attention given to these other dimensions. Future research could take another of these dimensions, eg bargaining unit or scope and subject it to the same kind of scrutiny. It may be useful to examine the relationship between bargaining scope and shop steward activity in the plant. Alternatively the connection between bargaining unit and various situational determinants could be considered.

The next stage of the thesis argued that it is unnecessarily narrow to concentrate on the relationship between bargaining structure and union behaviour. Bargaining structure, it was suggested, should be placed within the context of the control process operated by management. This revealed not only support for the growth of single employer bargaining but also pointed to the greater involvement of management in Industrial Relations. Further studies could consider whether such developments were taking place in other kinds of multi-plant organisations.

Finally Chapter Nine argued that a number of ideal types of styles of managing Industrial Relations could be recognised. These had varying degrees of control over inter-plant union activity depending in part upon the legitimacy of managerial authority. Future research could attempt to develop additional ideal types or modify those put forward.

1 Management

The evidence from the case studies reinforces the previously noted trend towards single employer bargaining, at least on pay.¹ This is bargaining which is either explicitly independent or independent in practice of the National Agreement. However relatively little is known about the changes which are taking place within single employer bargaining.

Brown and Terry (1978:131) suggest that there are a number of forces 'which may be serving to push firms towards a more centralised or group level of bargaining'. This suggestion tends to conflict slightly with the existing evidence. Daniel (1976:28) notes that it is the plant that is the most important level of formal bargaining. Evidence and analysis from this thesis can play a useful role in reconciling these two pieces of evidence. One approach is to look at the potentially conflicting pressures faced by management.

On the basis of the evidence presented here and other research management in multi-plant organisations may be faced by a series of possibly conflicting pressures. McCarthy and Ellis (1973:4) refer to this as: the challenge from without and the challenge from within. Briefly the first of these encourages decisions to be made centrally, while the latter suggests plant autonomy.

There are both 'non-IR' and Industrial pressures for greater central control.

Under the former heading two predominant pressures can be noted. First the increasing cost of capital demands some form of central

1 On issues aside from pay, eg premia payments and length of working week the National Agreement is still important. Witness the recent dispute in the Engineering Industry.

control over finance and the allocation of investment funds. The pooling of resources allows them to be distributed with a group wide perspective in mind. Second economies of scale encourage specialisation of production of particular components in each plant. These plants are then integrated and centrally co-ordinated.

A number of Industrial Relations influences may lead to greater centralisation, some have been mentioned by Brown and Terry (1978:131). First the economies associated with group wide pension schemes and the need for consistency of treatment often result in this issue being settled at group level. Second managerial unionism tends to result in group level bargaining because of the group level co-ordination of these employees which previously existed. Third the cost of inter-plant comparison or 'leap-frogging' may cause management to dispense with plant bargaining. This is particularly the case where they feel that combine committee activity is weak. Finally there is the need for central monitoring of plant Industrial Relations because of government incomes policy. Brown and Terry see such pressures as only 'straws in the wind', however this research sheds more light on these trends.

A series of pressures suggest that there should be a greater decentralisation of management control.

Plant level bargaining has become very well established in the Engineering Industry, partly because of the provisions of the National Agreement. Over time management and shop stewards have become accustomed to exercising a good deal of autonomy in their own plant.

Plant management prefer plant bargaining because it gives them the freedom to run their plants in the way they see fit, and enables the speedy resolution of disputes. They may strongly resist any

attempt by group management to restrict this freedom in any way.

Shop steward power is very closely tied to the plant. It is there that members' interests lie, and also where they have achieved a high level of involvement in plant bargaining. Any attempt to reduce steward bargaining activity in the plant, eg by moving to group level bargaining, would be very strongly resisted. This is of course unless some substitute activity, such as involvement in day-to-day decision making was possible.

It appears therefore that management are faced with a series of potentially conflicting pressures. On the one hand there are reasons for centralising control, while on the other there are serious obstacles to reducing the existing degree of plant autonomy.

It should be stressed that much of the above is based upon the case study analysis. The CIR (1974:55-8) provides a more detailed checklist of the advantages and disadvantages accruing to the various positions. Any attempt to investigate the validity of these hypotheses would require further research. This might usefully be carried out in companies having a fewer number of plants, or where differing technology and pattern of growth may provide quite different pressures. This would include non-engineering manufacturing concerns.

If the bargaining level is taken on the sole criterion for the nature of management control then there appears to be little support for the Brown and Terry hypothesis. Apart from Ford which has always bargained centrally, the remaining cases bargained at plant level. In Tubes and Rolls there was formal plant bargaining, while in GEC this was informal.

However it has been argued that the level of bargaining cannot be isolated from the other dimensions of bargaining structure. When

these are considered there is some support for the Brown and Terry suggestions.

In all four cases pensions were settled at group level mainly because of the financial benefits. In some cases, eg Rolls, certain units of employees bargained at group level, for instance nurses, while most other employees had plant agreements. In other cases, eg Tubes, certain issues for instance staff holiday entitlement was settled at divisional level.

Therefore it is misleading to characterise bargaining structure simply by referring to the level of bargaining. For this level can vary depending on the issue or unit of employees in question. This is particularly well shown in Ford. Despite having formal group level bargaining, informal negotiations took place in the plant over issues such as manning and time speeds. In all cases when the bargaining structure as a whole is examined it is found that there are a number of levels of bargaining.

A second point stressed in the preceding analysis is that bargaining structure must be placed within the context of other control systems within the organisation.

As noted previously all four cases had central control over finance and investment. Both Ford and Rolls had a highly integrated system of production.

Industrial Relations and Personnel control systems of some kind were exercised from group or divisional level in all the cases.

In three of the cases control systems such as these were used alongside the existing structure of plant level bargaining. It appears that management have recognised that for various reasons explored in greater depth below, some form of plant bargaining is inevitable. Yet this does not prevent the centralisation of 'non-IR'

control systems and the use of group or divisional Personnel and IR Control systems. Management are therefore responding to the pressures of greater central control, yet they are not necessarily changing the level of bargaining. Central control and plant bargaining can exist side by side.

The case studies provide a number of reasons why this situation may emerge. Plant bargaining may continue to exist for the following reasons. First the case of Rolls. Consideration was given to changing from plant to group level bargaining. However the main obstacle here was the cost of the inevitable process of levelling up which would take place if pay in all plants was equalised. An internal company document estimated this at some £18m. Additionally shop stewards in the plants at the top of the earnings league would fight hard to maintain their position.

A second example is provided by Tubes. The group had put forward an image of plant autonomy in their corporate advertising. Any move away from plant level bargaining would be in conflict with this image. Hence plant bargaining was maintained for public relations reasons.

Finally there is the case of GEC. Here the diversity of products and the genuine plant autonomy would make it very difficult to introduce group level bargaining. The differences in plant history and management style which had been allowed to develop effectively prevent integration.

The attachment to plant bargaining for the reasons given above has not prevented Rolls and Tubes from exercising either group or divisional control over Industrial Relations.

Despite having different bargaining structures the four cases are

moving towards common ground. This is hardly surprising bearing in mind the fact that these four groups are in the same industry and are influenced by similar pressures. In effect this results in some form of central control with or without plant level bargaining. Also there will be some kind of bargaining at plant level, whether formally or informally. In responding to the challenges from within and without organisations previously having very different structures are now becoming more alike. This has already been noted by one observer. 'The contrast between the structures of Industrial Relations in BL and Ford so marked ten years ago, is now much less sharp' (Clegg 1979:103).

One possible extension of the research would be to make comparisons with non-manufacturing concerns for evidence of similar trends. There are of course many different kinds of multi-plant organisations. Almost any large organisation is likely to have a number of plants, whether they are depots, departments, offices or shops. Some of the concepts developed here could be applied to some of these organisations, eg. the Civil Service or Hotels and Catering. A comparison between Ford and practices in local authorities or Nationalised industries would be of very great interest.

Two of the cases, Rolls and Tubes, seem to have deliberately adopted this compromise or middle way position. This has been termed 'organisational federalism' (Handy 1979:207). Under this system each 'federal state' is independent for most matters and is encouraged to preserve its autonomy. However on certain matters where consistency is desirable the centre makes the decision which the 'states' have to abide by. Under this system the centre is dominated by planning and co-ordinating the states. The essential point is that 'those

who execute policy must not be exactly the same as those who legislate policy'. Planning and policy making should take place centrally, while the plants are wholly responsible for carrying out these plans.

However as has been shown this strategy of organisational federalism is not without its dangers. The overt incongruency of control systems which is inherent in this structure may generate inter-plant union activity. This is particularly the case where this lack of harmony of control systems causes doubt to be thrown on managerial legitimacy, e.g. as in Tubes and Rolls. Management in these two cases hold a very delicate balance between group control and plant autonomy. This was highly unstable because of the ad hoc nature of the controls used. The main reason why management was able to maintain this position was because of union inability to organise effectively between plants. However if an issue arises which unites rather than divides the plants this balance could easily be upset.

Thus the initial attractiveness of the compromise position may later be reduced if managerial legitimacy is challenged as a result. Deliberately seeking this compromise seems to lead to union inter-plant activity. However similar results to the formal compromise position can be obtained if informal controls are used. These will not challenge an established managerial legitimacy.

To conclude it is evident that management in multi-plant organisations are faced by conflicting pressures. Management's response to these pressures can be seen once the focus of analysis is expanded away from the level of bargaining alone. It has been shown that there is greater centralisation of control alongside plant level bargaining. This finding provides support for the work of both Brown and Terry and Daniel.

Although two of the cases have been shown to be less successful at following this compromise than they might have been, all four cases display a relatively sophisticated attitude towards Industrial Relations. This is probably because of the long history of dealing with trade unions.¹ An interesting comparison could be drawn between these cases, and other cases having a far less sophisticated Industrial Relations policy. This might require research in much smaller organisations, or those having a different history of union representation. It would be interesting to see if the same principles existed in these other examples. On the other hand it appears² that North American companies pay much greater attention to Industrial Relations. Useful comparison could be drawn on the sophistication of Industrial Relations policy. However the very different social legal and political backgrounds would demand an inter-country comparison in addition.

2 Trade Unions

Perhaps the greatest problem to be confronted by trade unions concerns how they are going to react to the emergence of single employer bargaining and the development of centralised management control. The consequences for unions can be examined in three stages.

As previously noted all four cases provide good examples of single employer bargaining. Other available evidence³ indicates that this is part of a more general trend. The most immediate

1 This may also be because of the largely negative role played by the National Agreement, a fact which is apparent only after inter-country comparison see Clegg (1976); Sisson and Jackson (1978)

2 See Slichter Healy and Livernash (1960); Chamberlain (1967)

3 See Daniel (1976); Warwick survey (1979)

implication for unions is the changed level of bargaining. Trade unions must acknowledge that the extremes of multi-employer and shop floor bargaining are no longer of major importance. The most important level of pay bargaining, in the manufacturing sector at least, is either at plant or group level. A realisation of the significance of these changes will require alterations in the internal organisation of unions, and their attitudes towards combines.

Present internal organisation of the majority of unions was formed at a time of strong national agreements. This gave a great deal of formal power to national officials. In most cases the unions have reacted slowly to the emergence of shop stewards in the workplace. Only in the last twenty years or so have they been adequately recognised. The unions have therefore reacted to informal plant bargaining as a supplement to national agreements, however in the main they have yet to react adequately to the development of single employer bargaining.

There are one or two exceptions to the above generalisations. A number of white collar unions, eg ASTMS and TASS seem better equipped to deal with single employer bargaining than their manual counterparts. For example some unions have divisional officers who negotiate solely with the plants of one group in a geographical area. Information flows also seem to be much better in these unions. The result often is that white collar and unionised management bargaining takes place at group rather than plant level. This is a consequence of two factors. First the different attitude taken by the officials of these unions towards group level bargaining. Unlike the manual unions inter-plant contacts and group bargaining is actively encouraged by the union. Second there is the legacy of how managers were treated in the past. If they were seen as a divisional or group resource

then this is likely to provide a ready made bargaining unit after unionisation.¹ Once these managers have realised that it is the group or division which exercises effective control they will not be satisfied with bargaining at any other level. The unionisation of white collar and managerial employees may force groups to change their bargaining structure. (Ramsay 1971:44). It is for this reason that evidence indicates that white collar bargaining tends to take place at group level, while manual bargaining is usually at plant level.

Because of these differences between manual and white collar behaviour a comparison between the two would be of great interest. For example research could be conducted into the reasons why group bargaining in white collar unions is officially encouraged, while it is openly discouraged in manual unions. Support for inter-plant contacts in manual unions, such as it is, comes largely from the 'grass roots' and convenors.

If the manual unions are to react to single employer bargaining then profound changes in union government will be required. Greater attention will have to be paid to individual employers rather than to federations of employers. In the long run this may involve the dismantling of the present geographical basis of internal organisations. Branches may have to become based on the workplace organisation in all cases rather than just some. Full time officers may have to devote their time to a relatively small number of groups and negotiate with them over a long period. Such changes at the moment seem very unlikely.

If manual unions were to recognise the significance of single employer bargaining there would still be a number of problems to be faced. In particular the choice between plant and group level

1 This is very much the case in Rolls and Tubes

bargaining may be crucial. While plant level bargaining maximises shop steward power it may allow disparities between plants to be maintained. Group bargaining may spread gains throughout plants, but may result in a loss of steward autonomy.

Information regarding the pros and cons of such a choice is very limited at the moment.¹ Further research into cases where single employer bargaining is the norm e.g. Nationalised Industries, Civil Service and local authorities, would provide much useful comparative material.

Second, it has been shown that not only have there been changes in the level of bargaining, but management control has become increasingly centralised. The way in which trade unions are going to react to this must also be considered.

Perhaps the most obvious course of action would be to 'play management at its own game'. That is to bargain at plant level, but to maintain a degree of central control or co-ordination. This would allow steward autonomy to be maintained, while disparities between plants could gradually be eliminated. Such a strategy would involve a far greater degree of inter-plant co-ordination than exists at the moment, or seems likely in the future. A number of problems confront the strengthening of combines.

Shop steward influence rarely extends far beyond the plant. Inter-plant activity may be very difficult to justify for employees who see their interests as essentially plant based. Often there are many divisions between plants in the same groups. These may be based upon earnings, or upon personality clashes between convenors.

Further research into the setting up and operation of combines would be useful in this context. Future studies could look at the actual nature of the contacts that exist between plants, e.g. to

¹ Only the CIR (1974:55-8) provides any useful information

what extent they are dependent on a few individuals such as Convenors.¹

Another interesting area is the official trade union hostility to combine activity. The reasons for this and impact of it could usefully be studied. In most cases the rationale for this attitude is that such committees pose a challenge to the authority of national officers. However it is possible to draw a parallel between present opposition to Combine Committees and previous opposition to Joint Shop Steward Committees.

Although initially opposed by the unions the latter gradually came to be accepted. It is possible that a similar change of attitude may take place with combine committees. One danger must be noted here. If combines are officially recognised there is the risk of the members becoming separate from the shop floor. The result may be the development of rank and file factions as seen in the Ford case.

A final area of interest concerns the ability of unions to challenge the authority of management. It has been established that this ability is particularly restricted in Ford and GEC where the control systems are internally congruent. However in Rolls and Tubes there are obstacles to be overcome. Employee attitudes within these cases tended to be a confused mixture of parochialism and suspicions about central management involvement. Even in the cases where group or divisional interference is overt it is very difficult for unions to organise effectively between plants. In particular employees in one plant may be reluctant to take strike action in support of their colleagues in another plant. The shop stewards or convenors may be in favour of such action but the other employees

1 Following work of Lerner and Bescoby (1963); Beynon and Wainwright (1979); Friedman (1975)

may not. The limitation on union activity is in the end dependent upon where employees see their interests as lying, once this has been established on the plant this may be very difficult to alter. An investigation into the reasons behind employee attitudes towards inter-plant activity would be of great interest. A series of case studies using interviews may reveal some of the reasons for the parochial and inward looking attitudes. This would shed some light on the ideological as well as material obstacles to challenging managerial authority.

3 Reform of Industrial Relations

The Donovan Report's approach to reforming Industrial Relations was based upon changes in bargaining structure and management structure. In particular changes in bargaining level and form were urged. Formal agreements should be negotiated at either plant or company level. Additionally management structure should be altered by strengthening the role of the Personnel Department and giving greater attention to Industrial Relations generally.

However, evidence from this and other research suggests that changes in management and bargaining structure alone may be inadequate. The reasons for this inadequacy and some suggestions for possible reform are considered below. Plant and group industrial relations will be examined in turn to assess the possible reforms.

An article by Terry¹ has suggested that it may not be possible to simply 'formalise the informal' as Donovan had suggested. It is

1 Terry (1977)

likely that either new informal practices will grow up following a formal plant agreement, or the informal practices will never disappear.

This was shown in a number of plants studied. In one of the Tubes plants formal bargaining took place at plant level, but covered a number of 'business areas'. Although covered by the same agreement there was a great deal of variation in the customs and practices which developed in each plant. The Personnel department played a relatively minor role and allowed departmental stewards and management a great deal of autonomy. Formal plant bargaining had a very limited impact on day-to-day Industrial Relations.

In another Tubes plant formalising plant bargaining had a different consequence. Many routine Industrial Relations matters were taken out of the hands of the departments, and raised to the level of the plant. They achieved the desired level of consistency yet meant that senior management had to become involved in many mundane issues.

Thus formalising plant bargaining may fail to eliminate custom and practice or will unnecessarily limit junior management autonomy.

Expanding the Personnel Department within the plant may take a number of forms.

In Ford the Personnel Department had taken over many of the responsibilities of foremen and supervisors. Although this achieved a high degree of consistency, the authority of junior management was seriously weakened. In Tubes the size of the Personnel Department had been expanded and its formal authority increased. However this appears to have been because of a need to cope with the enlarged administrative burden resulting from changes in labour law. Personnel

still occupied an isolated and specialised role having little control over day-to-day Industrial Relations. In Rolls a combination of these two schemes was used. Personnel Officers were attached to line managers in their departments. It was their duty to advise and help on routine matters. Yet at the same time these Personnel Officers were responsible to the central Personnel Department.

Again it is evident that making structural changes gives no guarantee that what takes place in practice will alter. It is like re-drawing the lines on an organisation chart and hoping people's behaviour will change. In many instances people will act differently only if for some reason they feel they have to. Simply changing structures may not provide sufficient reason.

Perhaps the central problem to be studied here concerns the relationship between line and Personnel management. The seemingly intractable problem here is that no matter what formal structural changes are made very little changes in practice. Line management continue to seek the autonomy they feel is needed to solve their problems and reach their targets, even though this may result in inconsistency in Industrial Relations practice. While Personnel seek a more long run and consistent view across the whole of the plant.

One possible solution to this problem may lie simply in the physical location of the Personnel Department. As long as Personnel is geographically isolated from line management, such a clash of interests is likely. But if junior members of Personnel could work alongside line managers co-operation may be improved. This change would not remove the difference of interest, but may give a better chance of solving problems.

Two lines of research would follow from these points.

Research could concentrate on the role of management in the plant. Several aspects could be studied here. First the formal and informal relationships that exist between the various specialist management departments. Attention could be focussed on the relationship between line and personnel management and the responsibilities that each group should have. Second future research could examine the links that plant management have with divisional or group management. The strengths of the external links as compared to the internal links could be studied. The relative weight of these two would give an indication of level from which effective control within the organisation emanates. For example emphasis on the external links suggests more centralised control (Brown 1973:159-63).

A second area of potential study looks generally at the attitudes taken by management towards Industrial Relations. Why is it that in many instances Industrial Relations is given a very low priority and is derived from 'non-IR' decisions. Some of the reasons for attitudes of this kind could be studied (Legge 1978) as well as an assessment of the impact of these non-IR control systems on Industrial Relations.

Formalising plant bargaining can lead to several problems when looking at group Industrial Relations as a whole. This is particularly a problem when combined with other contemporary developments in multi-plant organisations.

Evidence available from the cases studied suggests that multi-plant organisations are faced by a series of pressures which result not only in an increase in size, but also with greater centralisation of control. This evidence is of course by no means conclusive and needs to be supplemented by more information either from studies such as this, or by multi-variate analysis of the type undertaken by Deaton and Beaumont (1979).

Given the available information it has been shown that these changes have encouraged union inter-plant activity. Formalising plant bargaining while centralising management control not only makes inter-plant comparisons easier but actually encourages them. For as Sisson and Jackson (1978:30) have noted: 'employers in the UK can no longer camouflage the results of negotiations with shop stewards under the guise of wage drift: in those cases where a single employer agreement has in effect replaced the multi-employer agreement the rate of pay is plain for all to see.'

In an attempt to regulate the resulting inter-plant union activity management employ a series of ad hoc control systems. As has been shown above these include provision of central services; co-ordination of bargaining; and involvement in plant disputes. Again these control systems apply only to the cases studied. Different organisations may reveal detail differences, yet displaying the same principle. A series of short case studies or questionnaires could be used to investigate and classify these controls further.

These controls were necessary because of the union challenges to managerial authority. Simply changing management and bargaining structures will not automatically improve managerial legitimacy. This will change only when the bases of legitimacy are understood. Two areas of research may be followed here. First one which uses the same criterion of effectiveness of control (inter-plant activity) and looks in greater detail at the process of rationalising management action eg by reference by external determinants. Second by changing the criterion for effectiveness eg to control over intra-plant union activity.

One possible reform for group Industrial Relations has been put forward by the CIR (1977). This involves adopting framework agreements

of the kind seen in Europe. This involves deliberately linking the various levels of bargaining by stipulating which issues should be bargained over at particular levels. This would certainly present an interesting avenue of inquiry. However to be carried out properly it would require a series of European comparisons.

On the basis of evidence available at present two sets of problems exist here. First it appears that present multi-employer agreements are not strong enough to form the basis for such framework agreements. This would require management to strengthen group level bargaining to provide the basis. This is unlikely because it may encourage inter-plant union activity. For as has been shown bargaining formally at a number of different levels may create an incongruency of control systems. This in turn may lead shop stewards to question the legitimacy of plant management authority. In turn this may result in shop stewards attempting to bargain over certain issues at the level they, rather than management desire.

Second framework agreements would require a far greater degree of management attention to Industrial Relations than seems likely at the moment. Legge (1978) has noted that for a variety of reasons Personnel issues are likely to have a very low priority. In practice this means that Industrial Relations implications are not considered when either general policy or specific decisions are being made.

Again it is evident that changes in management and bargaining structure by themselves are likely to prove inadequate for reforming Industrial Relations. If management are to take a more responsible approach towards Industrial Relations this will not be achieved by structural changes alone. What is required is a change in the

management attitude towards Industrial Relations. This will involve a recognition of the significance of union perceptions of the legitimacy of managerial authority. As Terry (1977:78) notes the changes most readily accepted by employees were those they had a part in making. Reform in Industrial Relations must be perceived as legitimate by both sides and hence take place by consent.

McCarthy and Ellis (1973:4) suggest that 'management by agreement' may be the basis for such changes. This would involve negotiations over every issue that was of concern to employees, although the authors are at pains to point out that this would involve no loss of management authority. Such a change would provide further evidence for the much quoted paradox of Allan Flanders. For he stated that 'management can only regain control by sharing it'. Such a development would appear to be unlikely at present, perhaps only because of what Hawkins (1971:202) calls the 'ideological conservatism' on the part of management.

This study has of necessity been based upon a limited amount of information and has employed a narrow focus. However this has not prevented the development of a number of tentative concepts and hypotheses, as well as presenting a good deal of empirical data. If this study has done nothing more than stimulate the much needed future research in this area, then at least one purpose will have been served.

BIBLIOGRAPHY

BOOKS

- Albrow, M. 1968. 'The Study of Organisations - Objectivity or Bias?'
Penguin Survey of the Social Sciences Ed. J. Gould. Harmondsworth:
Penguin 146-167
- Allen, V.L. 1966. *Militant Trade Unionism*. London:Merlin
- Ansoff, H.I. 1965. *Corporate Strategy*. New York:McGraw Hill
- Anthony, P. 1977. *The Conduct of Industrial Relations*. London:IPM
- Anthony, P and A Crichton. 1969. *Industrial Relations and the
Personnel Specialists*. London:Batsford
- Anthony, R.N. J. Dearden, and R.F. Vancil. 1965. *Management Control
Systems*. Illinois:Irwin
- Bain, G.S. 1970. *The Growth of White Collar Unionism*. Oxford:
Clarendon Press
- Bain, G.S. D Coates. and V. Ellis. 1973. *Social Stratification and
Trade Unionism* London:Heinemann
- Baker, H. 1948 *Company-wide Understanding of Industrial Relations
Policies* New Jersey:Princeton U.P.
- Baker, H. and R.R. France. 1954 *Centralization and Decentralization
in Industrial Relations*. New Jersey:Princeton U.P.
- Barkin, S. 1975. *Worker Militancy and its Consequences. 1965-75*
New York:Praeger
- Batstone, E.V. I Boraston, and S Frenkel, 1977. *Shop Stewards in Action*
Oxford:Blackwell
- Berger, P.L. and T. Luckmann. 1966 *Social Construction of Reality*
Harmondsworth:Penguin
- Beynon, H. 1973. *Working for Ford* London:Penguin Education
- Beynon, H. and H. Wainwright, 1979. *The Workers' Report on Vickers*
London:Pluto Press
- Blain, I. 1972 *Structure in Management* London:National Institute
of Industrial Psychology
- Blau, P.M. and W.R. Scott. 1963. *Formal Organisations*. London:
Routledge and Kegan Paul
- Blauner, R. 1964 *Alienation and Freedom*. Chicago:Chicago U.P.
- Boraston, I. H.A. Clegg, and M. Rimmer. 1975. *Workplace and Union*
London:Heinemann
- Brandt, F.S. 1968. *Labour Relations Policy* University of Texas:Bureau
of Business Research

- Brannen, P. et al. 1976. *The Worker Directors*. London:Hutchinson
- Braverman, H. 1974. *Labour and Monopoly Capital*. New York:Monthly Review Press
- Brooke, M.Z. and H.L. Remmers. 1977. *The Strategy of the Multi-National Enterprise*. London:Longman
- Brown, W.A. 1973. *Piecework Bargaining*. London:Heinemann
- Bull, G., P.Hobday, and J. Hamway. 1972 *Industrial Relations: The Boardroom viewpoint*. London:Bodley Head
- Burger, T. 1976. *Max Weber's Theory of Concept Formation*. Durham, North Carolina:Duke University Press
- Burns, T. 1969. *Industrial Man*. Harmondsworth:Penguin
- Burns, T., and G.M. Stalker, 1961. *The Management of Innovation*. London:Tavistock
- Castles, F.G., D.J. Murray, and D.C. Potter. 1971. *Decisions, Organisations and Society*. Harmondsworth:Penguin
- Castles, F.G., et.al. 1976. *Decisions, Organisations and Society* Harmondsworth:Penguin
- Chamberlain, N.W. 1967. *The Union Challenge to Management Control*. Archon:Harper and Row
- Chamberlain, N.W. and J.W. Kuhn, 1965. *Collective Bargaining*. New York:McGraw Hill
- Chandler, A.D. 1964. *Giant Enterprise*. New York:Harcourt, Brace and World
- Chandler, A.D. 1962 *Strategy and Structure*. Cambridge, Mass:MIT
- Chernish, W.M. 1969. *Coalition Bargaining. A Study of Union Tactics and Public Policy*. Philadelphia:University of Pennsylvania Press
- Child, J. 1977. *Organization*. London:Harper and Row
- Child, J (ed) 1973 *Man and Organization*. London:Allen and Unwin
- Child, J. 1973. 'Organizational Structure, Performance and Environment: The Role of Strategic Choice'. *People and Organizations*. Eds. G. Salaman, and K. Thompson. London:Longman, 91-107
- Clack, G. 1967. *Industrial Relations in a British Car Factory* Cambridge:C.U.P.
- Clarke, R.O., D.J. Fatchett, and B.C. Roberts. 1972. *Workers' Participation in Management in Britain*. London:Heinemann
- Clarke, T. and L. Clements, 1977. *Trade Unions under Capitalism*. London:Fontana
- Clegg, H.A. 1979. *The Changing System of Industrial Relations in Great Britain*. Oxford:Blackwell

- Clegg, H.A. 1976. *Trade Unionism under Collective Bargaining*.
Oxford:Blackwell
- Clements, R.V. 1958. *Managers. A Study of their Careers in Industry*.
London:Allen and Unwin.
- Cleverley, G. 1973. *Managers and Magic*. Harmondsworth:Penguin
- Cliff, T. 1970. *The Employers' Offensive*. London:Pluto Press
- Cohen, P. 1968. *Modern Social Theory*. London:Heinemann
- Confederation of British Industry. 1977. *The Future of Pay Determination*
London:CBI
- Cook, P.L. 1958. *The Effects of Mergers*. London:Allen and Unwin
- Counter Information Services. 1977. *The Ford Motor Company. Anti Report*.
Nottingham:CIS
- Counter Information Services. 1973. *GEC*. Nottingham:CIS
- Crouch, C. 1977. *Class Conflict and the Industrial Relations Crisis*.
London:Heinemann
- Cuthbert, N.H. and K. Hawkins. (Eds) 1973. *Company Industrial Relations Policies: The Management of Industrial Relations in the 1970s*.
London:Longman
- Cyert, R.M. and J.G. March. 1963. *A Behavioural Theory of the Firm*.
Englewood Cliffs, New Jersey:Prentice Hall
- Dalton, M. 1959. *Men who Manage*. New York:Wiley
- Dalton, M. 1962. 'Co-operative Evasions to support Labour Management Contracts'. *Human Behaviour and Social Processes*. Ed. A.M. Rose
Boston:Houghton Mifflin, 267-284
- Daniel, W.W. 1976. *Wage Determination in Industry*. London:PEP
- Derber, M. 1967. *Research Problems in the United States*
New York:Random House
- Dubin, R. (ed) 1968. *Human Relations in Administration*.
Englewood Cliffs, New Jersey:Prentice Hall
- Dubin, R. 1958. *Working Union-Management Relations: The Sociology of Industrial Relations*. Englewood Cliffs, New Jersey:Prentice Hall
- Edwards, W. and A. Tversky (eds) 1967 *Decision Making. Selected Readings*.
Harmondsworth:Penguin
- Elger, A.J. 1975. 'Industrial Organizations - a processual approach' *Processing People* Ed. J.B. McKinlay. London:Holt, Rinehart and Wilson, 91-149
- Elion, S. 1971. *Management Control*. London:Macmillan

- Farnham, D. and J. Pimlott. 1979. *Understanding Industrial Relations* London: Cassell
- Farnsworth, T. 1976. *On the Way Up* Maidenhead, Berks: McGraw Hill
- Flanders, A. 1970. *Management and Unions* London: Faber and Faber
- Flanders, A. (ed) 1969. *Collective Bargaining* Harmondsworth: Penguin
- Flanders, A. 1968. *Trade Unions* London: Hutchinson
- Flanders, A. 1964. *The Fawley Productivity Agreements* London: Faber and Faber
- Fox, A. 1974a *Beyond Contract* London: Faber and Faber
- Fox, A. 1974b *Man Mismanagement* London: Hutchinson
- Fox, A. 1971 *Sociology of Work in Industry* London: Collier Macmillan
- Fraser, R. (ed). 1969. *Work: Twenty Personal Accounts* Harmondsworth: Penguin
- Friedman, A.L. 1977. *Industry and Labour* London: Macmillan
- Friedman, H. 1976. *Multi-Plant Working and Trade Union Organisation* Studies for Trade Unionists
- Gambino, F. 1972. *Workers' Struggles and the Development of Ford in Britain* London: Big Flame
- Gerth, H.H. and C.W. Mills. (eds) 1946. *From Max Weber: Essays in Sociology* New York: Oxford University Press
- Gilbert, M. (ed) 1972 *The Modern Business Enterprise* Harmondsworth: Penguin
- Giugni, G. 1965 'Articulated Bargaining in Italy' *Collective Bargaining* Ed. A. Flanders. Harmondsworth: Penguin, 267-285
- Goldner, F.H. 1970. 'The Division of Labour: Process and Power' *Power in Organisations* Ed. M.N. Zald. Nashville: Vanderbilt University Press, 97-143
- Goodman, J.F.B. et al. 1977. *Rule Making and Industrial Peace* *Industrial Relations in the Footwear Industry* London: Croom-Helm
- Goodman, J.F.B. and T.G. Whittingham. 1973. *Shop Stewards* London: Pan
- Goodrich, C.L. 1975. *The Frontier of Control* London: Pluto Press
- Gouldner, A.W. 1954. *Patterns of Industrial Bureaucracy* New York: The Free Press
- Handy, C. 1979. *Gods of Management* London: Pan
- Harbison, F. and C.A. Myers, (eds) 1959. *Management in the Industrial World: An International Analysis* New York: McGraw Hill

- Hawkins, K.H. 1978. *The Management of Industrial Relations*
Harmondsworth:Penguin
- Herzberg, F. et al. 1959. *The Motivation to Work* New York:Wiley
- Higgs, P. 1969. 'The Convenor'. *Work:Twenty Personal Accounts*
Ed. R. Fraser, Harmondsworth:Penguin
- Holland, S. 1976. *The Socialist Challenge* London:Quartet
- Hyman, R. 1975. *Industrial Relations:A Marxist Introduction*
London:Macmillan
- Hyman, R. 1972 *Strikes* London:Fontana
- Hyman, R. 1972. *Disputes Procedure in Action* London:Heinemann
- Hyman, R. and I. Brough, 1975. *Social Values and Industrial Relations* Oxford:Blackwell
- Hyman, R. and R. Fryer, 1975. 'Trade Unions—sociology and political economy' *Processing People* Ed. J.B. McKinlay, London:Holt, Rinehart and Wilson, 150-213
- Ingham, G.K. 1970. *Size of Industrial Organisation and Worker Behaviour* London:Cambridge University Press
- Jackson, M.P. 1977. *Industrial Relations* London:Croom Helm
- Jay, A. 1967. *Management and Machiavelli* London:Hodder and Stoughton
- Jones, R. and O. Marriot. 1970. *Anatomy of a Merger* London:Cape
- Kahn-Freund, O. 1979. *Labour Relations:Heritage and Adjustment*
Oxford:Oxford University Press
- Kerr, C. (ed) 1964. *Labour and Management in Industrial Society*
New York:Doubleday
- Kerr, C. and L.H. Fisher. 1964. 'Plant Sociology:The Elite and the Aboriginies'. *Labour and Management in Industrial Society*
Ed. C. Kerr, New York:Doubleday
- Kessler, S. and B.C.M. Weekes. 1971. *Conflict at Work* London:BBC
- Komarovsky, M. (ed) 1957. *Common Frontiers of the Social Sciences*
Glencoe, Illinois:The Free Press
- Kuhn, J. 1961. *Bargaining in Grievance Settlement* New York:
Columbia University Press
- Lane, T. 1974. *The Union Makes us Strong* London:Arrow
- Larner, R.J. 1970. *Management Control and the Large Corporation*
New York:Dunellen
- Latham, J. 1969. *Takeover (The Facts and Myths of the GEC AEI Battle)*
London:Iliffe

- Lawrence, P.R. and J.W. Lorsch. 1967. *Organisation and Environment: Managing Differentiation and Integration* Boston:Harvard University Press
- Legge, K. 1978. *Power, Innovation, and problem-solving in Personnel Management* London:McGraw-Hill
- Lerner, S.W., J.R. Cable, and S. Gupta (eds) 1969. *Workplace Wage Determination* Oxford:Pergamon Press
- Lewis, R. and R. Stewart. 1961. *The Boss. The Life and Times of the British Businessman* London:Phoenix House
- Likert, R. 1961. *New Patterns of Management* New York:McGraw Hill
- Lloyd, I. 1978. *Rolls-Royce:The Growth of a Firm* London:Macmillan
- Lloyd, I. 1978. *Rolls-Royce:The Years of Endeavour* London:Macmillan
- Lloyd, I. 1978. *Rolls-Royce:The Merlin at War* London:Macmillan
- Lukes, S. 1974. *Power:A Radical View* London:Macmillan
- Lupton, T. 1971. *Management and the Social Sciences* Harmondsworth:Penguin
- Lupton, T. and D. Gowler, 1969. *Selecting a Wage Payment System* London:Engineering Employers' Federation
- Mace, M.L. 1971. *Directors: Myth and Reality* Boston:Harvard Business School
- March, J.G. and H.A. Simon. 1966. *Organisations* New York:Wiley
- March, J.G. and J.P. Olsen. 1976. *Ambiguity and Choice in Organisations* Bergen:Universitetsforlaget
- Marsh, A.I. 1965. *Industrial Relations in Engineering* London:Pergamon Press
- Marsh, A.I., E.O. Evans, and P. Garcia. 1971. *Workplace Industrial Relations in Engineering* London:Kogan Page
- Maxcy, G. 1958. 'The Motor Industry' *Effects of Mergers* Ed. P.L. Cook. London:Allen and Unwin, 353-393
- Maxcy, G. and A. Silberston. 1959. *The Motor Industry* London:Allen and Unwin
- Mayo, E. 1942. *The Social Problems of an Industrial Civilisation* London:Routledge and Kegan Paul
- Mayo, E. 1933. *The Human Problems of an Industrial Civilisation* London:Macmillan
- Melman, S. 1958. *Decision Making and Productivity* Oxford:Blackwell
- McCarthy, W.E.J. (ed) 1972. *Trade Unions* Harmondsworth:Penguin

- McCarthy, W.E.J. 1971. *Reform of Bargaining at Plant and Company Level* Department of Employment. Manpower Paper No. 5. London:HMSO
- McGivering, I.C., D.G.J. Matthews, and W.H. Scott. 1960. *Management in Britain* Liverpool:Liverpool University Press
- McGregor, D. 1960. *The Human Side of Enterprise* New York:McGraw Hill
- McSweeney, E. 1978. *Managing the Managers* New York:Harper and Row
- Nichols, T. 1969. *Ownership, Control and Ideology* London:Allen and Unwin.
- Nichols, T. and P. Armstrong. 1976. *Workers Divided* London:Fontana
- Nichols, T. and H. Beynon, 1977. *Living with Capitalism* London: Routledge and Kegan Paul
- Owen, T. 1979. *The Manager and Industrial Relations* Oxford:Pergamon Press
- Pahl, R.E., and J.T. Winkler, 1974. 'The Economic Elite:Theory and Practice'.*Power in Britain* Eds. P. Stanworth and A. Giddens. Cambridge: Cambridge University Press, 102-122
- Parkin, F. 1972. *Class Inequality and Political Order* London:Paladin
- Passingham, B., and Connor, D. 1976. *Ford Shop Stewards and Industrial Democracy* Nottingham:Institute for Workers' Control
- Pettigrew, A.M. 1973. *The Politics of Organisational Decision-Making* London:Tavistock
- Prais, S.J. 1976. *The Evolution of Giant Firms in Britain* Cambridge:Cambridge University Press
- Pugh, D.S. 1971. *Organisation Theory* Harmondsworth:Penguin
- Pugh, D.S. and D.J. Hickson. 1976. *Organisation Structure and its Context* Farnborough, Hants:Saxon House
- Pugh, D.S. and C.R. Hinings, 1976. *Organisation Structure Extensions and Replications* Farnborough, Hants:Saxon House
- Purcell, J. and R. Smith (eds) 1979. *The Control of Work* London:Macmillan
- Red Notes. 1978. *The Little Red Blue Book* Nottingham:Institute for Workers' Control
- Rhys, D.G. 1973. *The Motor Industry. An Economic Survey* London: Butterworth
- Rose, A.M. (ed) 1962. *Human Behaviour and Social Processes* Boston:Houghton Mifflin
- Rowe, D.K. 1971. *Industrial Relations for Profit and Growth* American Management Association.

- Ryder, M.S., C.H. Rehmus, and S. Cohen. 1966. *Management Preparation for Collective Bargaining* Illinois:Dow Jones Irwin
- Salaman, G. and K. Thompson, 1973. *People and Organisations* London:Longman
- Sampson, R.C. 1965. *Managing the Managers* New York:McGraw Hill
- Sayles, L. 1965. *Managerial Behaviour. Administration in Complex Organisations.* New York:McGraw Hill
- Sayles, L. 1958. *Behaviour of Industrial Work Groups* New York:Wiley
- Sisson, K.F. 1975. *Industrial Relations in Fleet Street* Oxford:Blackwell
- Slichter, S.H., J.J. Healey, and E.R. Livernash. 1960. *The Impact of Collective Bargaining on Management* Washington D.C.:Brookings Institute
- Stanworth, P. and A. Giddens, 1974. *Elites and Power in British Society* London:Cambridge University Press
- Starbuck, W.H. (ed) 1971. *Organisational Growth and Development* Harmondsworth:Penguin
- Stephenson, G.M. and C.J. Brotherton (eds) 1979. *Industrial Relations. A Social Psychological Approach* Chichester:Wiley
- Stewart, R. 1979. *The Reality of Management* London:Pan
- Stewart, R. 1970. *The Reality of Organisations* London:Macmillan
- Stopford, J.M. and L.T. Wells. 1972. *Managing the Multi-National Enterprise* London:Longman
- Strauss, G. and L.R. Sayles, 1972. *Personnel. The Human Problems of Management* Englewood Cliffs, New Jersey:Prentice Hall
- Strauss, G. 1970. 'Organizational Behaviour and Personnel Relations' *A Review of Industrial Relations Research - Volume One* Eds. W.L. Ginsburg et.al. Industrial Relations Research Association 145-206
- Strother, G.B. (ed) 1962. *Social Science Approaches to Business Behaviour* London:Irwin
- Tannenbaum, A.S. 1968. *Control in Organisations* New York:McGraw Hill
- Taylor, F.W. 1947. *Scientific Management* New York:Harper
- Thomas, R.E. 1977. *Business Policy* Oxford:Philip Allen
- Thomas, R.E. 1968. *Business Growth and Policy* Bath University of Technology Inaugural Lecture
- Torrington, D. 1978. *Comparative Industrial Relations in Europe* London:Associated Business Programmes.

- Townsend, R. 1971. *Up the Organisation* London:Coronet
- Transport and General Workers Union. 1977. *Ford Wage Claim*
- Turner H.A., G. Clack, and G. Roberts. 1967. *Labour Relations in the Motor Industry* London:Allen and Unwin
- Turner, H.A., G. Roberts and D. Roberts. 1977. *Management Characteristics and Labour Conflict* Cambridge:Cambridge University Press
- Ulman, L. (ed) 1967. *Challenges to Collective Bargaining* Englewood Cliffs, New Jersey:Prentice Hall
- Urry, J., and J. Wakeford. 1973. *Power in Britain* London:Heinemann
- Walker, C.R. and R.H. Guest. 1952. *The Man on the Assembly Line* Cambridge, Mass:Harvard University Press
- Walton, R.E. and R.B. McKersie. 1965. *A Behavioral Theory of Labour Negotiations* New York:McGraw Hill
- Warr, P. 1973. *Psychology and Collective Bargaining* London:Hutchinson
- Weber, A.F. (ed) *The Structure of Collective Bargaining* New York: Free Press
- Weber, M. 1947. *The Theory of Social and Economic Organisation* London:Win Hodge
- Wedderburn, D. and R. Crompton. 1972. *Workers' Attitudes and Technology* Cambridge:Cambridge University Press
- Welsch, L.A. and R.M. Cyert (eds) 1970. *Management Decision Making* Harmondsworth:Penguin
- Whitehill, M. 1968. *Centralized vs Decentralized Decision Making in Collective Bargaining:Effects on Substantive Contract Language* University of Iowa
- Whitty, J.L. 1975. 'Trade Unions and Multi-National Companies' *Industrial Relations in a Changing World* Ed. M. Beesley, London: Croom Helm
- Wigham, E. 1973. *The Power to Manage* London:Macmillan
- Wight-Bakke, E., C. Kerr, and G.W. Anrod. 1960. *Unions Management and the Public* New York:Harcourt, Brace and World
- Woodward, J. 1965. *Industrial Organisation:Theory and Practice* London:Oxford University Press
- Woodward, J. (ed) 1970. *Industrial Organisation: Behaviour and Control* London:Oxford University Press
- Wortman, M.S. and G.G. Witteried. 1969. *Labour Relations and Collective Bargaining. Text and Cases* Boston:Allyn and Bacon

Yewdal, G.A. (ed) 1969. *Management Decision Making* London:Pan

Young, S. 1968. *Management: A Decision Making Approach* Belmont: Dickenson

PERIODICALS

Anthony, P. 1967. 'Analysing the I.R. men' *Personnel* 1, No. 2 36-39

Bain, G.S. and H.A. Clegg. 1974. 'A Strategy for Industrial Relations Research in Great Britain.' *British Journal of Industrial Relations* XII, No. 1, 91-113

Bain, G.S. and R.J. Price. 1972 'Who is a White Collar Employee?' *British Journal of Industrial Relations* X, No. 3. 325-339

Bain, G.S. and G.B. Woolven. 1970. 'The Literature of Labour Economics and Industrial Relations: a guide to its sources'. *Industrial Relations Journal* I. No. 1, 30-42

Bain, G.S. and G.B. Woolven. 1971. 'The Primary Materials of British Industrial Relations'. *British Journal of Industrial Relations* IX, No. 3, 388-414

Batstone, E.V. 1980. 'What have Personnel Managers Done for Industrial Relations?' *Personnel Management* 12, No. 6, 36-39

British Institute of Management. 1972. 'The Board of Directors: A Survey of its Structure, Composition and Role'. *Management Survey Report. No. 10* London: BIM

British Institute of Management 1967a 'Management Problems in a Parent Subsidiary Company Relationship'. *Information Note No 31* London: BIM

British Institute of Management 1967b. 'Top Management Committee Structure in Manufacturing Companies'. *Information Summary No. 117* London: BIM

Brown, W.A. 1972. 'A Consideration of Custom and Practice' *British Journal of Industrial Relations* X, No. 1, 42-61

Brown, W.A., R. Ebsworth, and M. Terry. 1978. 'Factors Shaping Shop Steward Organisation in Britain'. *British Journal of Industrial Relations* XVI. No. 2. 139-159

Brown, W.A. and K. Sisson, 1975. 'The Use of Comparisons in Workplace Wage Determination'. *British Journal of Industrial Relations* XIII, No. 1, 23-51

Brown, W.A. and M. Terry, 1978. 'The Changing Nature of National Agreements' *Scottish Journal of Political Economy* 25, No. 2, 119-133

Burns, T. 1964. 'What Managers Do'. *New Society* 8-9 December

Burns, T. 1961. 'Micropolitics and the Mechanisms of Institutional Change'. *Administrative Science Quarterly* VI, No. 3, 257-281.

- Clarke, R.O. 1980. 'Labour Management Disputes: A Perspective' *British Journal of Industrial Relations* XVIII. No.1. 14-25
- Dalton, M. 1950. 'Unofficial Union-Management Relations' *American Sociological Review* 15. No.5. 611-619
- Dalton, M. 1950. 'Conflicts between Staff and Line Managerial Officers' *American Sociological Review* 15. No.3. 342-351
- Daniel, W.W. 1969. 'Industrial Behaviour and Orientation to Work - A Critique'. *Journal of Management Studies* 6. No.3. 366-373
- Derber, M., W.E. Chalmers, and M.T. Edelman. 1961. 'Union Participation in Plant Decision Making'. *Industrial and Labour Relations Review* 15. No.1. 83-101
- Dubin, R. 1949. 'Decision Making by Management in Industrial Relations'. *American Journal of Sociology* 54. No.4. 292-297
- Engle, E.L. 1968. 'Co-ordinated Bargaining: A Snare - and a Delusion' *Industrial Relations Research Association*
- Financial Times 1978. 11 March
- Financial Times 1977. 14 June
- Financial Times 1974. 15 July
- Gennard, J. and M.D. Steuer. 1971. 'The Industrial Relations of Foreign Owned Subsidiaries in the United Kingdom'. *British Journal of Industrial Relations* IX. No.2. 143-159
- Gill, C. 1974. 'Industrial Relations in a Multi-Plant Organisation: Some Considerations.' *Industrial Relations Journal* 5.No.4.22-35
- Gill, C. and H.M.G. Concannon. 1976. 'Developing an Explanatory Framework for Industrial Relations Policy within the firm.' *Industrial Relations Journal* 7 No. 4. 13-20
- Giugni, G. 1965. 'Recent Developments in Collective Bargaining in Italy.' *International Labour Review* 91.No.4. 273-291
- Goldner, F.H. 1965. 'Managers - an Improper Subject for the Study of Management.' *Industrial Relations Research Association Proceedings*
- Gospel, H.F. 1973. 'An Approach to a Theory of the Firm in Industrial Relations'. *British Journal of Industrial Relations* XI.No.2.211-228
- Hawkins, K.H. 1971. 'Company Bargaining: Problems and Prospects'. *British Journal of Industrial Relations* IX.No.2. 198-213
- Heller, R. 1968. 'Ford Motor's Managing Machine'. *Management Today* February
- Hickson, D.J., D.S. Pugh, and D.G. Pheysey. 1969. 'Operations Technology and Organisation Structure: An Empirical Reappraisal'. *Administrative Science Quarterly* 14.No.4. 378-397
- Hildebrand, G.H. 1968. 'Co-ordinated Bargaining- An Economists Point of View'. *Industrial Relations Research Association*
- Hindess, B. 1973. 'On Three Dimensional Power'. *Political Studies* XXIV No.3. 329-333

Industrial Relations Review and Report. 1972. No.45. 13

Kerr, C. 1978. 'Industrial Relations Research: A Personal Retrospective'.
Industrial Relations 17. No.2. 131-142

Landsberger, H.A. 1961. 'The Horizontal Dimension of Bureaucracy'.
Administrative Science Quarterly 6.No.3. 299-332

Lasser, D. 1968. 'Co-ordinated Bargaining - A Union Point of View'
Industrial Relations Research Association Spring

Lerner, S.W. 1964. 'Factory Agreements and National Bargaining in
the British Engineering Industry'. *International Labour Review*
LXXXIX, 1-18

Lerner, S.W. and J. Bescoby. 1966. 'Shop Steward Combine Committees
in the British Engineering Industry'. *British Journal of Industrial*
Relations IV.No.2. 154-164

Lerner, S.W. and J. Marquand. 1963. 'Regional Variations in Earnings,
Demand for Labour and Shop Steward Combine Committees in the British
Engineering Industry'. *The Manchester School of Economics and*
Political Studies XXVI. 261-296

Lindop, E. 1979. 'Workplace Bargaining - The End of an Era?'
Industrial Relations Journal 10, No.1, 12-21

Livernash, E.R. 1963. 'The Relation of Power to the Structure and
Process of Collective Bargaining'. *Journal of Law and Economics*

Margerison, C.J. 1969. 'What do we mean by Industrial Relations? A
Behavioural Science Approach'. *British Journal of Industrial*
Relations VII No.2. 273-286

Marglin, S.A. 1974. 'What Do Bosses Do? The Origins and Functions
of Hierarchy in Capitalist Production'. *The Review of Radical*
Political Economics 6.No.2

Marsh, A.I. 1971. 'The Staffing of Industrial Relations Management
in the Engineering Industry'. *Industrial Relations Journal*
2. No.2. 14-23

McCarthy, W.E.J. 1970. 'The Nature of Britains Strike Problem'
British Journal of Industrial Relations VIII, No.2. 224-236

McCarthy, W.E.J. 1970. Review of W.M. Chernish Coalition Bargaining
British Journal of Industrial Relations VIII, No.3. 441

Phelps-Brown, E.H. 1973. 'New Wine in Old Bottles. Reflections on
the Changed Working of Collective Bargaining in Great Britain'.
British Journal of Industrial Relations XI.No.3. 329-337

Pierson, F.C. 1961. 'Recent Employer Alliances in Perspective'.
Industrial Relations October, 39-55.

Pierson, F.C. 1961. 'Prospects for Industry wide Bargaining'.
Industrial and Labor Relations Review 346-361

- Pugh, D.S. et al. 1969. 'The Context of Organisation Structure'. *Administrative Science Quarterly* 14.No.1. 91-114
- Pugh, D.S. et al. 1968. 'Dimensions of Organisation Structure'. *Administrative Science Quarterly* 13.No.1. 65-105
- Pugh, D.S. et al. 1963. 'A Conceptual Scheme for Organisational Analysis'. *Administrative Science Quarterly* 8.No.3. 289-315
- Purcell, J. and M.J. Earl. 1977. 'Control Systems and Industrial Relations'. *Industrial Relations Journal* 8.No.2. 41-54
- Ramsay, J.C. 1971. 'Negotiating in a Multi-Plant Company'. *Industrial Relations Journal* 2.No.2. 42-48
- Roberts, B.C., and J. Gennard. 1970. 'Trends in Plant and Company Bargaining'. *Scottish Journal of Political Economy* XVII.No.2. 147-166
- Robertson, D.J. and L.C. Hunter. 1970. 'The Emerging Issues'. *Scottish Journal of Political Economy* XVII. No.2. 117-125
- Ross, A.M. 1963. 'Prosperity and British Industrial Relations'. *Industrial Relations* 2.No.2. 63-94
- Storey, J. 1976. 'Workplace Collective Bargaining and Managerial Prerogatives'. *Industrial Relations Journal* 7.No.3. 40-55
- Strauss, G. 1962. 'Tactics of Lateral Relationships: The Purchasing Agent'. *Administrative Science Quarterly* 7.No.2. 161-186
- Strauss, G. and P. Feuille, 1978. 'Industrial Relations Research: A Critical Analysis'. *Industrial Relations* 17.No.3. 259-277
- Sunday Times. 1971. 4.11.18 July
- Terry, M. 1977. 'The Inevitable Growth of Informality'. *British Journal of Industrial Relations* XV, No.1. 76-90
- Thomson, A.W.J. and L.C. Hunter. 1975. 'Levels of Bargaining in Multi-Plant Companies'. *Industrial Relations Journal* 6.No.2. 23-40
- Thomson, A.W.J., C. Mulvey, and M. Farbman, 1977. 'Bargaining Structure and Relative Earnings in Britain'. *British Journal of Industrial Relations* XV, No.2. 176-191
- Ulman, L. 1974. 'Connective and Competitive Bargaining'. *Scottish Journal of Political Economy* XXI, No.2. 97-109
- Walton, R.E. and J.M. Dutton. 1969. 'The Management of Interdepartmental Conflict: A Model and Review'. *Administrative Science Quarterly* 14.No.1. 73-84
- Wilders, M.G. and S.R. Parker, 1975. 'Changes in Workplace Industrial Relations 1966-72'. *British Journal of Industrial Relations* XIII, No.1. 14-22
- Winkler, J.T. 1974. 'The Ghost at the Bargaining Table'. *British Journal of Industrial Relations* XII, No.2. 191-212

GOVERNMENT PUBLICATIONS

- Bullock, A. 1976. *Report of the Committee of Inquiry on Industrial Democracy* Cmnd 6706. London:HMSO
- Cameron Report 1957. Cmnd 131. London:HMSO
- Commission on Industrial Relations. 1973a. *The Role of Management in Industrial Relations* Report. No.34. London:HMSO
- Commission on Industrial Relations 1973b. *Industrial Relations at Establishment Level:A Statistical Survey* London:HMSO
- Commission on Industrial Relations 1974. *Industrial Relations in Multi-Plant Undertakings* Report No.85. London:HMSO
- Department of Employment. 1971. *The Reform of Collective Bargaining at Plant and Company Level* Manpower Papers. No.5. London:HMSO
- Donovan Commission. 1968. Royal Commission on Trade Unions and Employers' Associations 1965-68. *Report* Cmnd 3623. London:HMSO
- Jack Report. 1963. Cmnd 1999. London:HMSO
- National Board for Prices and Incomes. 1967. *Productivity Agreements* Report No.36. London:HMSO

UNPUBLISHED MATERIAL

- Beaumont, P.B., A.W.J. Thomson, and M. Gregory. 1978. 'The Determinants of Bargaining Structure in Britain:An Exploratory Exercise' typescript
- Bowey, A. 1974. 'The Impact of new Management Control Techniques on Industrial Relations'. SSRC Seminar Paper
- Child, J. and A. Kieser, 1976. 'The Development of Organisations over time'. Aston University Working Paper. No.51
- Cowell, R. 1977. 'Management Decision Making in Multi Plant companies' M.A. Dissertation:University of Warwick
- Crane, L. 1977. 'Delta Metals'. M.A. Dissertation:University of Warwick
- Deaton, D. and P. Beaumont. 1979. 'The Determinants of Bargaining Structure. Some Large Scale Survey Evidence for Britain'. SSRC Industrial Relations Research Unit Working Paper. No.15
- Goldner, F.H. 1961. 'Industrial Relations and the Organisation of Management'. Unpublished Ph.D. Dissertation:University of California, Berkeley
- Grinyer, et al 1978. 'Strategy, Structure, The Environment and Financial Performance in 48 U.K. Companies'. The City University Business School Working Paper. No.8
- Igwe-Onu, D. 1973 'British Printing Corporation'. M.A. Dissertation, University of Warwick.

- Jones, M. 1977. 'White Collar Unionisation in Chrysler and Dunlop'
M.A. Dissertation, University of Warwick.
- Jones, M.W. 1975 'ASTMS in Unilever'. M.A. Dissertation. University
of Warwick.
- Jones, S. 1974. 'Joint Consultation at the Final Assembly Plant,
Ford Motor Company Dagenham.' Bath University School of Management
Project Report
- Marchington, M. and R. Loveridge. 1976. 'Management Decision Making
and Shop Floor Participation'. BUIRA Conference Paper
- McGraw, P. 1977. 'Industrial Relations Decision Making in Multi-
Plant Companies - Birds-Eye'. M.A. Dissertation, University of Warwick
- Sadler, P.J. 1966. Leadership Style, Confidence in Management and
Job Satisfaction. Ashridge Management College Papers in Management
- Shafto, T. 1977. 'The Growth of Shop Steward Managerial Functions'
BUIRA Conference Paper
- Sisson, K.F. and P. Jackson, 1978. 'The Management of Collective
Bargaining: An International Comparison'. typescript
- Steeds, D.W. 1975. 'The Comprehensive Agreement at Weldless'
M.A. Dissertation, University of Warwick
- Tyson, S. 1977. 'The Study of Personnel Management as an Occupation'
BUIRA Conference Paper
- Wood, S. and K. Thurley. 1977. 'The Study of Management in British
Industrial Relations'. BUIRA Seminar Paper
- Wood, S. and K. Thurley. 1978. 'Business Strategy and Industrial
Relations Strategy'. BUIRA Conference Paper