

## LEADING THOUGHTS



# Driving Performance in a Unionized Environment

By **Larry Eiser** Contact Center Insights

*Build a relationship that's based on mutual interests and successes. It begins with a foundation of communication, credibility and caring.*

Managing a unionized call center is, in many ways, like managing a highly regulated environment—in both situations, external factors can present challenges and restrictions to your operations. In most cases, both factors have existed for many years, and you really have no choice as to whether you are going to exist within that environment. You can certainly create a positive environment in which employees are less likely to pursue unionization, but the fact is that it's up to the employees whether or not they organize. While, in a regulated environment, you have at least some ability to influence, over time, some of the rules and restrictions as well as the nature of the relationship with the regulators. The same can be true in a unionized environment.

### A Challenging Environment

Many of the discussions that I have had with union leaders in the past reveal differences that are, in essence, much like religious differences. By that I mean that there are often fundamental differences of opinion about what is right and what is fair. These differences can generate a lot of emotion. In the union "religion," seniority is king. There is an interest in everyone being treated equally, so there's often a limited ability to reward excellent performers. Employee discipline, terminations, and even rewards and promotions can be subject to grievances from the union. These conditions can create a safety net for marginal performers while often frustrating high performers who would like their individual performance to matter and to affect their compensation and prospects for promotion. So, by its very nature, the union environment can be a tough one to foster employee development and improved performance.

The additional rules, restrictions and potential for grievances can also represent a time drain on supervisors. This takes time away that could be spent coaching to improve performance. While the union's

role is to represent employees, some of the principles that union leadership holds dear can actually conflict with the stated interests of employees. I have seen employees testifying at arbitration hearings against the union stance and in favor of management's position on a given issue. Depending on how the relationship was managed over the years, the union wage structure can often be higher than the market pay. While this sounds like a positive for employees, it can be short-lived if the center becomes uncompetitive with other options that the organization might have for such services, internally or externally.

### Building the Foundation: The 3 Cs

To be clear, the issue is not about union employees versus non-union employees. In my experience, there is little difference in the desire of most individuals in either environment to do a good job or to take care of customers. To achieve high performance, you have to work with union leadership to fundamentally change some of the contractual rules, restrictions and traditions that serve as barriers.

The key to reaching agreement on these changes is to build a strong foundation with the union that focuses on communication, credibility and caring.

- From a communication perspective, it is about making sure there are no surprises for union leadership. If operational changes are being made, even if allowed for contractually, it is important to give union leadership a heads up. There will be at least one employee who will not be thrilled with virtually any change you make, and he might decide to air his complaint with management or with union leadership. The last thing that union leadership wants is to be left in the dark

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and find out about such changes from the employees. Providing advance notice forces you to think about, and put yourself in a position to talk about, the benefits that the proposed changes will bring to the union. It also allows you get input from union leadership that, along with the feedback from supervisors and frontline employees, will help you to hone your change management efforts.

- Credibility only comes with time. You must establish a track record for communicating in a straightforward manner, and not sugar-coating the reasons for or the impacts of proposed changes. Keep in mind that, if you lose credibility, it is tough to get it back.
- Caring is about demonstrating to union leadership, and to your staff, that you have the employees' interests at heart. While you cannot provide guarantees, show that you have a real interest in investing in the success and future viability of the center.

### Making the Changes that Make a Difference

When negotiating contractual changes with the union, the first step is to understand the highest leverage factors restricting performance. Make sure that you have a clear picture of what you're trying to achieve; i.e., what are your "must haves" versus the "nice to haves"?

It is also important to hold detailed discussions with union leadership to understand their fundamental interests and where they align with yours. Try to separate these underlying interests from the specific positions being taken. When you peel back

the layers, you will find that there are quite a few interests that management and the union share, such as employee development and satisfaction, customer satisfaction, and the continued effectiveness and viability of the center. This will help you to identify the benefits on both sides for any given proposal. Keep in mind that, for the union to accept a package of proposals, they have to understand what is in it for them and sell it to their constituents.

Your discussions with union leadership need to be based on these mutual concerns. For instance, to establish the viability of the contact center, you must work together to ensure that it is competitive from both a cost and a quality perspective. Cost competitiveness can be achieved by agreeing on a new wage structure for new employees that allows you to replace overmarket salaries through attrition over time. It is important to union leadership that incumbent employees are not harmed in any way. Quality and productivity can be enhanced by the ability to encourage and reward employees for higher performance, rather than simply being the most senior employee and meeting minimum levels of performance. This includes the ability to make role assignments based on skills, performance and interests, and having incentive pay and promotions based on individual performance. I have seen these types of changes occur once the right foundation was put in place.

The conversation needs to be about how we make the contact center competitive and successful. The restrictions that are getting in the way today do not have to be considered established and unshakable. Successfully reaching agreement requires more than just effectively planning for and conducting negotiations—it depends on the foundation and relationship you build with the union and with employees each and every day. 

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