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# COMING IN FROM THE COLD:

## Trades Unions In Economic Development Partnerships

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### **TRADES UNIONS IN ECONOMIC DEVELOPMENT PARTNERSHIPS**

#### ***About the author***

Derrick Johnstone is Director of EDuce Ltd, economic development consultants based in Cambridge. Derrick has specialised in skills and partnership development. Previously he worked as an economic development practitioner and ran the Economic Development Programme at The Planning Exchange, Glasgow. He has recently researched trades union roles in economic regeneration partnerships for the North West TUC, and developed a training programme to meet needs identified. He has also just completed an action-research project on the private sector in such partnerships for the Department for Education and Employment, with GFA Consulting.

## **COMING IN FROM THE COLD:**

### **TRADES UNIONS IN ECONOMIC DEVELOPMENT PARTNERSHIPS**

Over the course of successive Conservative Governments, trades unions were progressively frozen out of active involvement in local economic development, maintaining a toe-hold mainly where the European Commission demanded it in the administration of Structural Funds and as a residual presence on most TEC boards. The only bright spot latterly was the progress being made by Bargaining for Skills initiatives, where TECs funded projects to convince employers and union members of the value of training.

The advent of the Labour Government in 1997 brought about changes and new initiatives, such as the Union Learning Fund and trades union involvement in New Deal partnerships, but no restoration of the privileged position which unions once held. As John Lloyd recently pointed out<sup>1</sup>, "trades unions remain on their own...they are not regarded as having a place in society as of right, but only through merit, popularity and competition".

However, as the Government's programme develops, there are increasing opportunities for trades unions to come in from the cold in local and regional economic development, for example, in relation to:

- Regional Development Agencies - strategies and skills action plans, Rapid Response Fund
- implementing The Learning Age agenda, including the new Learning Partnerships
- Labour management partnerships and employee share ownership, in the context of regional competitiveness strategies

Trades unions are, however, limited in playing a full role, as a result of declining membership and resources, and changes in union structures, resulting in fewer trades unionists - officials and lay representatives - in a position to be involved. There are now many fewer individuals who have experience of working on economic development matters with local authorities, development agencies and government bodies, than say, 20 years ago - a picture in marked contrast to unions in many other European regions<sup>2</sup>.

This briefing reports on a recently completed research and training project undertaken in the North West. While it is about trades unions, there are points relevant to a wider audience, messages which deserve to be considered by funders and professionals in the local and regional economic development field who are concerned to ensure the success of genuinely inclusive partnerships. The capacity of trades unions to engage in partnerships also has significance when considering the national skills agenda, in their ability to inform and influence future skills supply to meet national competitiveness requirements. Again, trades unions have not been as close to developments as they would have wished. Recent international research by Crouch, Finegold and Sako<sup>3</sup> notes that, "British unions in general...tend to be poorly informed about new possibilities and the implications of technical change - a weakness that they might have started to overcome had they been centrally involved in continual detailed discussion of skill creation"

## **Building Capacity Amongst Trades Unionists**

The North West TUC has been concerned to make up lost ground, to build the capacity of trades unions as partners in European Union programmes, local regeneration partnerships and the like. They want to ensure that trades unionists - be they officials or members - make a greater and more effective contribution, eg, through promoting learning in the workplace, helping workforces adapt to change, raising basic skills and engaging local communities in regeneration initiatives. The NWTUC secured support from the European Social Fund and North West TECs for a unique training programme to build their skills, subject knowledge and confidence of trades unionists. This project was recently completed.

The first stage of the project sought to identify critical skills and knowledge through telephone interviews and a planning workshop, asking participants:

- what are you trying to achieve through our involvement in economic regeneration partnerships?
- what roles and functions do you need to carry out?
- what do you need to be good at?
- what skills, knowledge and behaviours do you need to bring to bear?

The approach took advantage of the draft framework of occupational standards for local economic development, prepared for the Department for Education and Employment<sup>4</sup>. This provides a comprehensive listing of the range of roles and functions undertaken by organisations, partnerships, teams and individuals who work in the field, and incorporates detailed analysis of the skills and knowledge needed for effective performance.

The intent was to develop training that would make as much of a difference as possible, addressing individual learning needs *and* common issues for trades unions in the North West. The training was designed to draw out the experience of people who have been involved for some time, and meet both their needs and those of people new to the field. Participants were drawn from trades unionists on EU monitoring committees, New Deal partnerships, TEC boards, regeneration partnerships, college boards, or otherwise involved in partnership-based projects (eg, on Bargaining for Skills).

## **Learning and Support Needs**

Most of the partnerships in which participants are involved have a strategic purpose, with the individuals concerned predominantly acting in an advisory or non-executive capacity. Union representatives saw their main contribution as bringing a workplace/ worker perspective (especially on issues such as health & safety and equal opportunities), along with their knowledge of the local community and the sector(s) in which they work. Sometimes, they play the role of project champion (eg, of Return to Learn provision), and occasionally that of broker or facilitator (where they have a degree of independence from the sectional interests pursued by other partners). A few play a role in appraisal and monitoring role, in relation to European programmes.

There is a common feeling that trade union representatives have been “latecomers to the party”. In consequence:

- it is more difficult to break into established networks of relationships
- there are significant needs to learn more about partners (what motivates them, what they can and can't do, etc)
- there are out-of-date perceptions about trades unions which need to be tackled, and limited awareness of what trades unions have to offer

In the last respect, there is a continual need for the TUC and individual trades unions to point out, as John Monks has repeatedly said<sup>1</sup>, "The days when you joined the unions to bash your boss are over".

Participants felt that their contribution is hampered by fragmentation of trades union activity, and the lack of a consistent, coherent trades union line on many of the issues faced by the economic development partnerships. Linked to this is a need to articulate and promote what trades unions have to offer, promoting how trades unions can help partners achieve their objectives, eg, to do with Investors in People, Individual Learning Accounts, learning in the workplace, and more generally, workforce adaptation to increase business competitiveness. The emphasis in Government policy on regeneration, learning and

social inclusion significantly raises the stakes for trades unions in widening participation in learning, given the potential unions have to reach many individuals who are not currently active learners.

On an *individual* level, there are big challenges - which trades unionists share with other “lay” partners from the business community and voluntary sector: to keep on top of the volumes of documentation and keep abreast of the wider picture (developments in policy and practice; opportunities and threats to local/ trades union interests). Commonly, many of the other partners take for granted the support they have within their own organisations, and do not recognise the pressures that trades union representatives face. It is very easy for organisations like TECs, local authorities and colleges to ***disable rather than enable*** these lay partners, by, for example, the language they use, how they run meetings, how they control information, etc.

The research and consultation highlighted learning needs clustering around:

- knowledge of economic development processes, policies, projects and strategies - and the associated jargon
- partnership working (building relationships and alliances; understanding partner roles, motivations, etc)
- personal management and development (managing time; keeping up-to-date with the latest policy developments and good practice elsewhere)

Participants wanted the training to focus primarily on strategic issues. They also asked for more background on project management and project appraisal, which they felt necessary to making informed judgements about strategic priorities and the effectiveness of what is delivered. They wanted the training to be as practical as possible, and to provide opportunities to reflect, for example, on “how do all the bits fit together?” and “what *are* our strengths as trades unionists and how do we make the most of them?”.

### **The Training Programme Programme Content**

Building on the research and consultation stage, the programme was tailored to fit, seeking to:

- clarify trades union roles and contributions in economic development partnerships and projects
- develop skills and subject knowledge required to performance effectively as partners, eg, in influencing strategies, promoting projects and bidding for resources

Over three separate one-day workshops, the programme covered:

#### **1 Partnership working**

This workshop was intended to provide participants with building blocks for ensuring they are able to play a more effective part in partnership, developing their:

- understanding of partners (who’s involved, their roles, resources, motivations, etc) and the nature and potential of their partnerships
- ability to help make partnership work and influence the outcomes in ways which meet local needs and serve trades union objectives

Part of the workshop concentrated on clarifying what trades unionists are seeking to achieve through partnership working. This was summed up as seeking “quality jobs, quality training and a vibrant economy”, through promoting good employment practice, influencing strategies and helping to make projects work. As in any partnership, it is vital that *partner* objectives are achieved as well as *partnership* objectives, otherwise commitment will tend to be lacking. Thus it matters also that TU involvement ultimately leads to increased trades union membership.

#### **2 Shaping Economic Regeneration**

The second workshop concerned key factors affecting business competitiveness and labour markets, and the scope to influence these at a local level. It also provided the chance for participants to consider current policy developments and their rationale, and to explore relevant funding opportunities. These included:

- the Regional Development Agency, its Skills Action Plan and the Skills Development Fund in the North West

- the Adult and Community Learning Fund and the New Opportunities Fund, providing Lottery funding for community learning centres, etc
- Workforce Development Plans being prepared by TECs
- the reform of the EU Structural Funds, with the intention of future ESF support for industrial adaptation projects under the new Objective 3
- the creation of the new Learning Partnerships, intended to bring together all existing local partnership arrangements covering post-16 and lifelong learning and play a key role in addressing the Government's social inclusion and regeneration agendas.

### **3 *Good Practice in Strategies and Project Management***

The third workshop concentrated on identifying effective approaches to developing and evaluating strategies and projects, and on reviewing what will be needed in the North West to help put in place a robust strategy led by the new Regional Development Agency. The content was related to both a strategic function fulfilled by trades unionists where they have a steering role as a board or committee member, and an operational function in relation to membership of project teams (in responding to plant closure, introducing learning centres or basic skills in the workplace, promoting family friendly employment practices, etc). There was considerable interest in project evaluation, through a concern to be able to tell good evaluation from bad, and to be able to point to proven practice which should be spread within the region.

Feedback on the programme has been very positive, with 80% of evaluation forms rating the workshops as “very useful” (the highest ranking) and 20%, “useful”, the next highest ranking. Participants reported that the most useful aspects were the practical focus on solutions to common partnership problems; the highly topical content; the “whole picture” provided of economic development; and gaining better understanding of partner motivations and constraints, and of evaluation principles. Many of the actions which participants intended to pursue concerned “spreading the word”, relaying what they had learnt to trades union colleagues, to help them make a more effective contribution in partnerships too, and to follow up on some of the policy developments which offered prospects for promoting trades union interests and objectives<sup>5</sup>.

#### **Issues and Actions**

The training was designed to address not only individual learning needs but also to progress action in the North West which would strengthen the contribution of trades unionists in their various partnerships. Some of the issues and actions are likely to strike a chord with readers in other regions.

Participants identified the actions which warrant follow-up by individuals, their trades unions and the North West TUC:

#### *Actions for Trades Unionists in the North West*

- further develop and promote a clear, co-ordinated and coherent trades union agenda, working together to ensure that unions earn their place at the table and influencing significant developments such as:
  - the new local Learning Partnerships, Workforce Development Plans, and basic skills initiatives (following the publication of the forthcoming Moser Report)
  - the North West Regional Development Agency (following up opportunities to be involved in preparing sector strategies)
  - the University for Industry, promoting opportunities for workplace learning and introducing union learning representatives to campaign, inform and support
- develop joint responses which show how trades unions have changed, taking full advantage of the achievements of Bargaining for Skills in the region and promoting good industrial relations as an essential component of business competitiveness
- engage the wider TU community:
  - work to make the connection between day-to-day TU issues and the broader agenda of skills and regional development - and attract wider involvement in local partnerships

- gain more support from General Secretaries for the work by trades unionists in local partnerships, linking the benefits to mainstream union objectives in increasing membership and developing member services.

*Actions in role as members of economic development partnerships*

- argue consistently for reduced complexity within partnerships - making things simpler, making it easier for lay partners to participate and encouraging a constant focus on whom the partnership is seeking to assist rather than organisational self-interests. Trades unionists can often make common cause with voluntary sector, community and business representatives on partnerships who feel equally frustrated by how the partnership is managed
- practise behaviours which build effective partnership, eg:
  - seek constantly to build trust in relationships with partners (being open, doing what you say you are going to do, and doing it well...)
  - ask, how can we help our partners get what they want out of partnership? For example, how we can help TECs make further progress on Investors in People and Individual Learning Accounts? How can we persuade our members to act as mentors for people on the New Deal?
- get better briefed and share knowledge of economic development (policies, partners, etc) with trades union colleagues

*Actions by North West TUC*

- create an information and knowledge resource within NWTUC to complement current support on learning issues with support on business competitiveness matters, alerting trades unionists to new opportunities (such as the RDA's Skills Development Fund and Rapid Response Fund for use in face of redundancies)
- promote more extensive networking on economic development within the region
- promote union participation (eg, in Learning Partnerships) and seek opportunities to involve a wider range of trades unionists, providing further training and information support and "bite-sized opportunities" for the uninitiated to gain knowledge and build confidence

In these ways, trades unionists and the TUC can strengthen the TU role, helping make the most of the opportunities offered by the Fairness at Work legislation in creating a new climate for industrial relations, and fulfilling expectations at a European level for the social partners' contribution to Modernising the Organisation of Work, central to European Employment Policy<sup>6</sup>.

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<sup>1</sup> New Statesman **Trade Union Guide 1999**

<sup>2</sup> European Commission (1996) **Developing a New Field of Trade Union Activity** Research Development report 25

<sup>3</sup> Crouch, Finegold and Sako (1999) **Are Skills The Answer? The Political Economy of Skill Creation in Advanced Industrial Countries** Oxford: OUP

<sup>4</sup> DfEE (1998) **Occupational Standards for Local Economic Development - Summary**, which introduces the standards framework and features four partnership capacity building case studies

<sup>5</sup> A project final report will be available late April giving providing details of the training programme, a summary of the issues raised and an evaluation of the training delivered. Contact Alan Manning, Regional Secretary, North West TUC, 37 Islington, Liverpool L3 8EQ. Some of the materials used in the training will be posted to the NW TUC website (accessed via the main TUC site, [www.tuc.org.uk](http://www.tuc.org.uk))

<sup>6</sup> Commission of the European Communities (1997) **Partnership for a New Organisation of Work** COM(97) 128 final