

Vej & Park Bornholm: Joint Management

What does this case study demonstrate?

Vej & Park Bornholm (Street & Park Bornholm) is focused on the importance of employee participation, partnerships and autonomy to create a successful workplace. The partnership with the trade union is significant and the company has many good Workplace Innovation (WPI) examples. They participated in a development project in cooperation with the trade union that promoted 'Joint Management'. This project forms a good example of WPI and concerns autonomy for employees, partnerships with employees and representatives, as well as learning opportunities.

Workplace innovation elements: Workplace partnerships, self-managing teams, enabling continuous improvement, improving trust.

Context

Street & Park Bornholm is a company with 118 employees. They carry out technical construction services and projects in roads, parks and forests. It is an independent private enterprise in Bornholm's Regional Municipality and primarily performs tasks commissioned by the municipality. The municipality operates by the Ordering-Performing model (BUM). This implies that Street & Park bid for tasks commissioned by the municipality on equal terms with other companies. The company is run like a privatised part of the municipal administration.

When manager Bjarne Freund-Poulsen took office in 2003, following a municipal merger (in connection with a local government reform), he started out trying to enhance trust in the company. Street & Park Bornholm participated in a development project that initiated a lot of new WPI practices. The motive for participation in the project was the combined privatisation process and merger that called for a new organisational model and improved working relationships. The manager wanted to create a model based on autonomy, trust and collaboration.

It is a common understanding between management, representatives and employees that the company's involvement in WPI practices creates trust; "We will not spend our resources on control" (Manager).

Workplace innovation practice: 'Joint Management' project

In 2003, the company participated in a development project called the 'Joint Management Project' together with KL (interest group and member authority of Danish municipalities) and 3F (United Federation of Danish Workers). The project began with training for the management group, representatives and employees. One training session was about costs and the significance of machine depreciation. The training was conducted with external teachers. This is where the cooperation between employees, management and union representatives began to flourish.

The Joint Management Project aimed to inspire workplaces to make partnerships and change their work organisation to support more autonomy for employees. It was an opportunity to learn how to utilise and develop competencies and there were funds for extensive training programs for participating companies as well.

The entire company participated in a 'value day', where they formulated new organisational values. One was: "We will be better tomorrow than we are today". The entire company works from that vision - always developing new practices and ideas.

Team work: 'Self-managing work gangs'

The employees at Street & Park Bornholm work in self-managing work gangs. In most cases the gangs are pricing the tenders: "This means that our prices are much more rooted in the gangs. It is not just something a 'silly manager' has come up with by calculating costs." (Manager).

Whenever a gang wins a tender, they have already considered how to carry it out: "We won the tender of maintenance of all the public toilets. The gang had decided on a tight time schedule of seven minutes and twelve seconds to clean each toilet. They had come up with that by themselves." (Manager). The manager is convinced that you can get the best organisational results by involving the employees as they are 'way better' at developing their own work than he is.

Partnerships with union representatives

Organisational changes (restructurings, collective agreements and the like) are discussed by the manager and the union representatives at a monthly meeting. The union representative explains that they have gone from a 'trade-off' relationship between management and representatives to a partnership. They value each other's opinions and respect each other as equal partners. This provides a good basis for negotiations as the manager explains: "It is nice to have representatives, who are not afraid to step up against me in a constructive dialogue".

How did they do it?

The general approach was 1) for management to take initiative, 2) external consultants supported the process, 3) 'experiments' were conducted (a work gang tested new meeting practices or the like), 4) 'invitation' to the same knowledge for all (training) and 5) implementation of the practices, but not necessarily in the same way everywhere. No evaluation was done but adjustments were made along the way.

Both management and employees believe that it is important to design the process in a manner that creates 'enthusiasts' amongst the employees. These employees help to support the process and to integrate motives and perspectives. The training program and continuous meetings supported this need.

The company continues to conduct project days with a combination of theory (for example 'innovation') and teambuilding, to keep up the spirit. The employees believe that it is important to continuously 'fertilize' the community in the organisation.

So who benefits?

The union representative explains: "It gives a huge boost to the company that we work together to create a great workplace. We are running at 0-budget and therefore have to 'earn our money'. We are rising to the challenge by working together. That's what made us 'the best workplace' (a Danish award) in 2004. Modernisation of the public sector needs better cooperation with the union".

The employees believe that trust allows the company to respond more quickly to new opportunities. Even though management determines the direction, they have to be able to discuss it: "It should be perfectly legal to say our outspoken opinion to our manager – and it is. There may well be disagreement, but you have to be able to discuss things" (employee).

Prognosis

The employees describe the last 10 years as a 'vacuum', where they had the opportunity to develop the organisation. Following the merger of two municipalities that initiated top-down administration of other areas, the technical area was allowed to invent a way to organise themselves that was profitable. Only now, politicians have begun to interfere and impose top-down management on the technical area: "Time has caught up with us now" (employee).

The company fears that they will lose their ability to cooperate across the organisation and that they will no longer be able to use employees' knowledge and talents. They are very worried about losing all the gains from introducing WPI practices.

The company is trying to maintain their culture, but the situation is not as positive as it has been during the last 10 years. They are deliberating the challenges in monthly meetings between management and union representatives and will continue to do so.