



UNIVERSITY of VAASA  
LEVON INSTITUTE

**murikka**

## **Paper from Finland: Learners' Perspective on Trade Union – University Lifelong Learning Co-operation**

### **“Straight Pipes”**

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#### **Introduction**

The rise of the development-related co-operational training of the Murikka-Institute in the 1990's co-occurred with strong structural changes in Finnish industry and hit favourable ground. Positive results in production and in workers' participation were supportive for this development. The development of the working community requires learning and re-evaluation of traditional positions in the production hierarchy. There are obstacles to this development which are mainly caused by interface problems between differentiated tasks in the company organization. These interface areas in the common development work are according to Järvinen et al. (2000) the following:

- crossing the line between planning and implementation
- the relation of strategic development to operative development
- co-operation between the company and its surroundings (networks).

The development -related co-operational training of the Murikka-Institute and the company based training in business economics and payroll systems are based on a dialogue between blue and white collar workers and the management as well as on the identification of common development targets and common analyses of the competitiveness situation of the company. It is the task of Murikka in this context to gather different views, to guide the process, to raise trust and to promote an equal dialogue. (see e.g. Reijonen 1997)

At the workplace level the implementation of co-operational development is always influenced by the local co-operation relationships and the company's general attitude towards anticipating changes and the skills required for this. Problems in the development work are created by cultural, structural and functional (power) structures in the work place. For this reason the skills of the employees cannot be utilized in full in the working community (see e.g. Vaahtio 2002; Kevätsalo, 1999; Antila & Ylöstalo, 2002). Also the attitudes of the employees and their representatives towards commonly generated changes have been cautious and partly opposed to participation in the change (e.g. Kasvio 1995; Kevätsalo, 1999; Jokinen & Kevätsalo 2000). The power and hierarchy structures of the work organization still form a hindrance to utilizing the contribution of the employees. Even in the new millennium about 40% of the metal workers think that they could

master more demanding tasks than they are currently engaged in (Antila, 2002).

## **Business economics training as a part of development co-operation**

The trade union movement has responded to the employers' human resources management (HRM) policy by new openings which emphasize co-operation and participation in the development of the company (Kalliola 2005 ; Legge 1995). This development requires profound know-how in business economics and production development.

Understanding the economic information on the company is an essential part in the training of the co-operational development. For the personnel and shop stewards to be able to understand the implications of the changes, they need to know how to analyze and draw consequences both of the changes in the operational environment and the economic situation of the company. The need to understand this information is emphasized by changes in collective bargaining. Despite the fact that national level agreements still have a bearing role in the Finnish labour market system the pressures towards local bargaining have been mounting. Therefore business administration training has been centrally offered both separately for the shop stewards and to the personnel at the company level.

Experiences gained from the co-operational development training have consciously been transferred to the remaining training of the Murikka-Institute and to benefit other union activities. This is largely capitalized on to build up the training as well as to enlarge the database of the Institute. This has also helped to counteract divergence between the different activity sectors and training areas. We want to prevent a development that would lead to a total divergence between the experience and knowledge of the workplaces and the Head Office of the union (ref. Tuomi-Gröhn 2000). The Institute and the work place level easily gather two separate data reservoirs if the know-how received through training is not utilized in solving everyday work problems.

## **Increasing shop stewards business know-how**

The social partners, Technology Industries and Metalworkers' Union, agreed in the collective agreement of 2007 to increase the know-how of shop stewards in business economics. For this purpose the Murikka Institute and the Institute of Management (JTO), which is owned by employers, started a training scheme in business management for shop stewards.

Two day training courses were organized for these people. The main aims of the training were:

- to learn about business and the economy in an illustrative and practical way
- to enable better and deeper individual and collective learning
- to encourage and motivate learners to study economics
- to enhance learners' own communication and representation skills

Training methods used included a board game, which simulates the present situation of a company and future strategic and economic challenges. The game raises the following issues as the focus of learning:

- Working environment of the Technologies Industry, global economic cycles
- SWOT-type assessments of companies
- Deliberations on business ideas and strategies
- Need of investments, chances and challenges
- Product/service choice based on customer needs

- Improvement of operations according to strategy
- Basic economics: return, balance sheet, parameters
- Analysis of economic success

As stated earlier, the problems of developing this work are based on cultural, structural and functional (power) structures in the workplace. Business economics is thus not only mathematics but the interpretation of the economic situation, which is always linked to the empiric and cultural framework of people's everyday lives.

## Case "Straight Pipes"

Straight Pipes drama, developed by the University of Vaasa, was included as part of the two days training for shop stewards. The drama raised discussion on important company development issues that are otherwise not so often addressed within the enterprises: How does reluctance to change affect innovations and how does work efficiency affect competitiveness. Sometimes braking blocks are found in such simple things as horizontal and vertical relationships. A prerequisite for solving problems is, nevertheless, to identify them first. In other words, our project included:

1. the Vaasa University drama Straight Pipes
2. management training for shop stewards
3. testing the drama in this training and
4. evaluating the training.

The drama was acted out in front of two different target groups, trade union representatives as described above (two separate groups having 34 participants altogether) and owner-managers (8 participants).

Afterwards the following questions were presented for getting evaluation feedback (Scale in the evaluations: 1= weak, 5= excellent):

1. The purpose of the drama is to show the possible problem situations arising from the changes in the management and ownership of the firm and to raise discussions about good practices in order to avoid such problems. Please evaluate how well the drama works in this meaning.
2. The purpose of the drama is to show the possible negative effects and threats due to globalization on a small subcontracting firm and to raise discussions about the need for changes. Please evaluate how well the drama works in this meaning.
3. The purpose of the drama is to show the problems arising from the persons change resistance during the process of implementing the changes and raise discussions about how to avoid the problems in organizations. Please evaluate how well the drama works in this meaning.
4. The purpose of the drama is to show the problems arising from unsatisfactory internal communication within the firm and to raise discussion about the role of communication in the management in general. Please evaluate how well the drama works in this meaning.
5. The purpose of the drama is to show the importance of innovation management and rewarding systems which support the workers creativity and innovativeness and to raise discussion about the role of rewarding schemes and innovation management as part of the firms' competitiveness. Please evaluate how well the drama works in this meaning.

- Please evaluate the general applicability of the drama in work organizations` development processes.

There was also room for free comments and after every performance one hour of discussion took place.

## Evaluation of the Drama presentations

In the following table the results of the evaluations from both of the groups are being presented. Also some of the free comments are presented.

How well the drama works	Shop stewards	Owner managers
1. Changes in the management and ownership of a family business	3,99	3,87
2. Globalization on a small subcontracting firm	3,64	4,37
3. Change resistance	4,02	4,50
4. Unsatisfactory internal communication	4,16	4,37
5. Innovation management and rewarding systems	3,37	4,00
6. General applicability of the drama	3,81	4,25

Some free comments:

- well done and realistic
- good roles: experienced “ironman” vs “unexperienced” owner manager
- the drama was short enough and realistic
- why do you not present the emotional aspects of work
- perhaps the problems were solved too easily
- realistic, more is needed about the innovativeness and rewarding systems
- well done and short enough
- realistic especially from the small business point of view, but might fit also to larger organizations
- my own experience: nothing good is expected to come from the workers side
- the drama pointed out the importance of trust between the ‘two sides’
- perhaps a little bit too ‘educational’ but I liked it anyway
- a good way to ‘introduce’ problem situations in practice. If the drama could be tailored to be company specific it could be even better
- some points “too simplified” –not applicable in all organizations (different management cultures!) – a comment from an owner-manager

## Conclusion

In general the evaluations were very positive and the applicability of the drama was well accepted. The drama worked especially well from the viewpoints of “change resistance” and “unsatisfactory internal communication”. The role of workers in innovation management still seems to be weak, and that is definitely one of the development areas. The difference between shop stewards and owner managers evaluation results in this issue can perhaps be explained by the difference in understanding the concept of innovation management. The employees see it more as the process

of changes based on ideas and suggestions for improvement (incremental innovations) and owner managers as customer or technology based product/service development. As expected the changes in the management and ownership of family businesses are also important from the workers point of view. Owner managers valued the effects of globalization higher than shop stewards. This can be explained by the fact that they are closer to and see earlier the “warning signals” of this trend.

In the open discussion the owner managers pointed out that the drama might be “too simplified” in their organizations, because they have invested for improvement of their organization cultures. On the other hand, it is typical that in surveys managers see work conditions and situations to be better than the employees do.

Research results show that such training methods are improving learning and are widening the learners’ understanding of the different roles of people in work organizations. Learners’ knowledge building from the different problem situations is improving. The evaluation results from the above-described Straight Pipes drama support earlier research findings.

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