

**Successful but Unappealing: Fifteen Years of Workplace
Partnership in Ireland**

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Abstract

This paper presents the first comprehensive review and assessment of Ireland's influential fifteen-year experiment with workplace partnership. The paper reviews the outcomes of workplace partnership and explains the limited adoption of partnership in the private and public sectors, drawing on the authors' experiences as participants in policy initiatives concerned with promoting partnership in the workplace. Although the promotion of partnership was to the fore in public policy between the late 1990s to the onset of the recession and successful outcomes were reported for the main stakeholders where partnerships were established, the paper explains why the concept nevertheless remained largely unappealing across the private and public sectors.

Keywords: workplace partnership, direct involvement, partnership outcomes; stakeholders.

1. Introduction

For more than twenty years, between 1987 and 2009, Irish employment relations were governed by a regime of national social partnership. The primary concern of this regime was to create an orderly wage determination process that was consistent with prevailing government macro-economic priorities. But in the mid-nineties, concern emerged that the social partnership framework was too 'macro' in orientation, leading to manager-employer relations inside organizations being mostly untouched by the principles and values of social partnership. To address this perceived weakness a public policy move was made in the late nineties to establish workplace partnerships. Both trade unions and employers' organizations supported the development of workplace partnerships, but for different reasons. On the one hand, employers viewed this development as a mechanism to improve competitiveness and performance inside organizations. On the other hand, trade unions viewed workplace partnerships as providing the mechanisms through which employees could exercise greater influence over business decision-making. Despite these competing visions about the purpose of workplace partnerships, a concerted public policy drive unfolded in support of these arrangements. Developments in Ireland aroused considerable interest in Anglo-Saxon countries such as the UK, New Zealand and Australia.

The purpose of this paper is to provide a review of developments in workplace partnership in Ireland over a period of fifteen years. The paper synthesizes empirical research on the incidence and outcomes of workplace partnership and develops an analytical framework to account for the most striking feature of workplace partnership in the Irish case: the paradox that while partnership is widely credited with having been effective, it yet appeared unappealing to employers and unions in general. The first section examines the evidence on the diffusion of workplace partnership in Ireland. It shows that relatively few firms have

adopted such arrangements in the private sector and that although partnership arrangements became widely prevalent in the public sector, they nonetheless remained marginal to prevailing decision-making and management-union relations. Next an assessment is made of the outcomes of workplace partnership for organizations and their stakeholders. After this assessment, a series of factors are identified to explain the limited diffusion of workplace partnership, including the vexed issue of why it was difficult to create a genuinely supportive public policy regime for the creation of partnership arrangements inside organizations in Ireland. The conclusions bring together the main arguments of the paper.

2. The limited adoption of workplace partnership in Ireland

A small number of partnership-style initiatives in Ireland can be traced back to when worker directors had been appointed to the boards of state-owned companies in the 1970s. However, partnership at the workplace only began to be adopted on a more widespread basis after 1997, following the advent of the national social partnership programme, *Partnership 2000* (Department of the Taoiseach 1997). This three-year programme contained a framework agreement which encouraged employers and trade unions to introduce co-operative arrangements in firms and workplaces in the private and public sectors. The framework agreement set out in *Partnership 2000* avoided prescriptive proposals either with respect to the institutional forms that partnerships could take at the workplace, or the issues that might be addressed. The framework was intended to apply to unionized and non-union workplaces. The *Partnership 2000* agreement also established a tripartite National Centre for Partnership - subsequently re-established as the National Centre for Partnership and Performance (NCPP) - to foster partnership across the private and public sectors. We examine developments in each sector in turn.

The Private Sector

In the private sector, the *Partnership 2000* framework agreement triggered a wave of experimentation and the introduction of a significant number of partnership arrangements and agreements, especially in workplaces where unions were recognized. EU funds available for training in workplace innovation and co-operation were used to support partnership activity (O'Dowd 2010). Focusing on what may well have been the most important period of innovation in co-operative workplace relations in Ireland, spanning the years from the mid 1990s to the early 2000s, O'Dowd identified 150 instances where formal workplace partnership initiatives had been established in the private and commercial state-owned sectors (O'Dowd 2010). O'Dowd established that 73 per cent of these partnerships for which information could be obtained had survived in some form or other into 2008-9 in firms that remained in existence (O'Dowd 2010, pp. 195-7).

>> Table 1 here <<

Two large representative surveys of employees conducted in 2003 and 2009 collected data on the incidence of a range of partnership practices and arrangements. The data are presented in Table 1. The picture is one of a low but rising incidence of workplace regimes where employees were involved in partnership working, as indexed by multi-faceted or stranded partnership arrangements. Overall the survey data show that the penetration of partnership across the workforce remained very modest, especially in non-union firms, and this is after more than a decade of framework agreements and promotional activity geared to fostering more extensive and deeper partnership working.¹ The 'minimalist transposition of the EU Directive on Information and Consultation into Irish law through the Employees (Provision of Information and Consultation) Act 2006 had a negligible effect on partnership working (Roche and Geary 2005).

Since the advent of the financial crisis and recession in 2008 retrenchment programmes in private sector firms have commonly included measures aimed at sustaining or achieving employee engagement or involvement (Roche et al. 2011, pp. 54-5). Yet overall partnership appears to have struggled or been displaced and unions have only uncommonly been actively engaged in firms' attempts to respond to recessionary pressures (Teague and Roche 2012).

The Public Sector

In the public service, the framework agreement in the *Partnership 2000* programme led to the widespread establishment of partnership structures. As shown in Table 2, already by 2003 representative partnership committees covered significant numbers of public servants. The incidence of forms of direct involvement was less pronounced, and partnership arrangements that combined direct and representative involvement were confined to minorities of employees – albeit significant minorities.² In examining experience with partnership in the public services, the issue is less one of how extensive formal partnership arrangements have been than the extent to which, or the manner in which, partnership working has been incorporated into the activities of employers, unions and employees.

>> Table 2 here <<

Reviews of partnerships in the public service consistently concluded that much effort has been devoted to aligning the new structures with existing decision-making and industrial relations arrangements and to establishing the behavioural foundations for effective co-operation (Bolger 2004; Boyle 1998; O'Dwyer et al. 2001; Roche 2002). The agendas of partnership arrangements across areas like the civil service, local government and health

appear for the most part to have been restricted to ‘soft’ or ‘non contentious’ areas such as communications, training, personal development, issuing newsletters, recycling and codifying policies. Mainstream business matters figured a great deal less on partnership agendas as areas of major importance for managers (and trade unions) continued to be mostly handled through established management decision-making forums or through collective bargaining (see Butler 2004 p. 20; Lazes 2007; Roche 2002; Totterdell et al. 2010). Partnership arrangements seem to have made little significant contribution to the effectiveness of modernization and change programmes in the public service from the mid 1990s, although, ironically, the modernization process seems to have consolidated partnership structures (Boyle 2006; Doherty and Erne 2010). In the health service, a tripartite Health Forum was still in the making when the financial crisis struck in 2008 (Department of the Taoiseach 2008, p. 48).

Partnership in the public sector was negatively affected by the economic and fiscal crisis post 2007. The *Public Service Agreement 2010-2004*, (the ‘Croke Park Agreement’), concluded between public service employers and unions, was nominally a collaborative trade approach to public sector retrenchment. In practice, however, under the agreement partnership was virtually decoupled from the process of implementing reform measures mandated by the agreement. In local government, changes in work practices were agreed and implemented through established collective bargaining processes. Long-prevalent partnership structures played no role in setting priorities for reform and their future was to be subject to review. The Health Service National Partnership Forum (HSNPF) was disbanded in 2011 following the coming to light of irregularities in respect of governance and the use of funds (Committee of Public Accounts 2011; Farrelly 2011). Forums intended to renew partnership in the health service have not been activated. Some isolated joint change initiatives have been reported in

public service agencies such as the Central Bank, the Prisons Service and the agriculture advisory body, Teagasc. But these seem very much the exception. The NCPP, the body charged specifically to promote workplace partnership, was dissolved in 2010 as part of a wider process of consolidating public service agencies.

3. Outcomes of workplace partnership in Ireland

While the review in section two of the paper has shown that partnership working remained largely unappealing, studies have nevertheless reported mainly positive outcomes where partnership was in operation. Here we review relevant research findings, distinguishing between outcomes relevant to employers, employees and trade unions.

Employer outcomes

O'Dowd (2010) reported the results of a 2001 survey of HR/IR managers in all known partnerships in operation in firms recognizing unions. The 88 responding managers enumerated a series of positive outcomes, in particular better business performance, higher productivity, more support for change and greater flexibility, higher levels of trust, better communications, a lower incidence of disputes and of industrial relations grievances. The study also concluded that the most positive outcomes of partnership arose in areas favourable to businesses rather than to other stakeholders (O'Dowd 2010; O'Dowd and Roche 2009). A survey of 2,668 private sector firms and 359 public sector organizations conducted for the NCPP in 2009 reported that the introduction of new products and services, as well as business outcomes (in the case of private sector firms) were higher where firms had combined employee involvement practices with new ways of working co-operatively (networking, working across organizational divisions, reducing hierarchy and working in teams) and with 'human capital development' measures (training, performance reviews, formal dispute resolution procedures and policies on equality and diversity) (Watson, Russell and O'Connell

2011). A study of partnership in 26 hospitals, identified associations - in the form of statistically significant bivariate correlation coefficients - between hospital hygiene and both partnership structures and the overall sophistication of partnership and involvement practices.³ Partnership-related engagement in continuous quality improvement and risk management was also associated with lower turnover levels among nursing, health and social care staff. Other indicators of hospital efficiency, such as day-care performance levels, inpatient cancellation rates and better outpatient services, were also found to be associated with direct and or indirect forms of partnership and involvement (Totterdell et al. 2010, pp. 51-9).

An analysis of a 2003 NCPP survey of employee in the private and commercial state-owned sectors found higher organizational commitment, better relations with managers and supervisors and a better employment relations climate were associated with partnership practices and arrangements in workplaces (Roche 2009). A follow-up survey in 2009 found that direct participation, union involvement in partnership committees and active consultation regarding work-related decisions were positively associated with support by employees for innovation (Watson, Russell and O'Connell 2011).

A detailed case study of a radical partnership initiative in the Irish Airports' Authority, Aer Rianta, concluded that partnership had allowed the company and its unions to respond to the loss of profitable intra-EU duty-free sales by developing a joint position on the company's future status and strategy. A range of process-related outcomes were also evident, including greater latitude to implement decisions and better informed employees and trade unions. Partnership carried some process disadvantages, in particular slower management decision-making (Roche and Geary 2006). Case studies of partnerships in the high-end glassware

manufacturer, Waterford Crystal, and the aluminium manufacturer, Aughinish Alumina, reported a series of positive outcomes for employers, including substantially higher productivity, lower costs, less conflict, reduced absences, lower labour turnover and higher levels of innovation. The employer was seen to have gained most from partnership in Waterford Crystal, whereas in Aughinish Alumina the outcomes were more balanced among the stakeholders (Dobbins 2009; Dobbins and Gunnigle 2009). A study of partnership in a leading financial services firm, FinanceCo, concluded that the employer benefitted from a range of outcomes including a better climate of employee relations, more flexibility, higher levels of effort by employees and improved performance. Partnership was again associated with slower management decision-making and seen as expensive and time-consuming. No clear-cut conclusion is seen to be warranted on whether the employer had gained most from partnership (Geary and Trif 2011).

Employee Outcomes

O'Dowd's survey of partnership companies found that partnership was seen by managers as having been associated with higher levels of job satisfaction, better pay and conditions and a greater understanding by them of employees' problems (O'Dowd 2010). An analysis of 2003 NCPP survey data found higher work autonomy, higher job satisfaction, better information provision, a greater sense of fairness at work were associated with partnership-related structures and practices reported earlier in our review of the evidence for employer outcomes. No association was found with pay and conditions, or with job stress. The 2009 follow-up survey for the NCPP found that consultation by employers was associated with higher job satisfaction, more work autonomy and reduced work pressure. Employee involvement in the organization was associated with the same outcomes, but this time with higher work pressure (O'Connell, Russell, Watson and Byrne 2009, ch. 8).

The case studies of partnership arrangements in Waterford Crystal and Aughinish Alumina reported a range of positive employee outcomes, including the introduction of profit sharing, better communications and information provision. However, lower employment security, more limited job autonomy and more intensive work were also seen to be associated with partnership (Dobbins 2009; Dobbins and Gunnigle 2009). The study of partnership working in FinanceCo concluded that employees had benefitted from partnership in such areas as improved pay and working hours, more family-friendly policies, improved employment security and more influence over the job. Work pressure was, however, seen to have increased (Geary and Trif 2011). A case study of partnership in a city council, in contrast, reported few positive outcomes in areas relevant to employees (Doherty and Erne 2010, pp.467-8).

Trade union outcomes

A survey undertaken for the Irish Congress of Trade Unions (ICTU) revealed a preference among union members for representation through ‘joint partnership agreements’ as compared with alternative modes of representation. Greater involvement in decisions about how work is undertaken and about the future of the organizations in which people worked were identified as the main priority areas for future union involvement in partnership arrangements (ICTU 2001). An early study of attitudes to partnership in a sample of 605 members of the Amalgamated Transport and General Workers’ Union (now Unite) reported that few believed that union influence had grown or that rewards had been shared more fairly as a result of workplace partnership (D’Art and Turner 2002).⁴ Studies re-analysing the 2003 employee survey for the NCPP found that the majority of union members believed that partnership had positive effects on union influence (Geary 2008). Union commitment was found to be

positively associated with union involvement in partnership, especially where partnership was seen to deliver beneficial outcomes for union members (Geary 2008; Roche 2009; Roche and Geary 2006). Managers with experience of partnership in unionized firms reported that union involvement and influence had grown as a consequence of partnership, especially where partnership arrangements combined strategic and operational involvement and addressed wide-ranging agendas (O'Dowd 2010; O'Dowd and Roche 2009). In the Irish Airports' Authority, union representatives were found to be mainly positive in their assessments of partnership outcomes (Geary 2008; Roche and Geary 2006). Unions in Waterford Crystal and Aughinish Alumina gained more influence over operational decisions and areas of strategic decision-making under partnership. However their traditional powers of opposition and veto under collective bargaining had been diluted. The study of the development of partnership in FinanceCo, concluded that unions had gained more influence and institutional security, higher membership and better representation (Geary and Trif 2011).

The study of partnership in 26 acute hospitals found that union representatives on partnership committees enjoyed significantly more access to financial information and to hospital performance data (Totterdill et al. 2010, p.56). Unions in the case study of an urban local authority were however seen to have had gained little from their involvement in partnership because it had become primarily a channel for a 'managerialist' reform agenda (Doherty and Erne 2010). Partnership, although it sometimes sparked inter- and union-union conflict, was found not to have 'displaced' union activists, although in acute hospitals, full-time officials sometimes bypassed shop stewards to deal directly with senior managers (Geary and Roche 2006; Roche and Geary 2006; Totterdell et al. 2010, p 86 but cf. Butler 2004, pp. 8-9).

Overall, positive stakeholder outcomes dominate the research literature on partnership in Ireland. However these outcomes were not universally prevalent, suggesting that they may have been contingent on both the features of partnerships and internal and external environments in which they operated in firms

4. Explaining the limited adoption of partnership

Our concern in this section of the paper is to explain the most striking paradox of the Irish case: why, in spite of the positive overall outcomes reported, the adoption of partnership working in Ireland has remained limited. We do this by examining the interaction between the micro-dynamics and macro-dynamics of partnership arrangements, drawing heavily on our direct experience of the operation of partnerships and our role as advisors to and participants in social partner bodies charged with supporting the uptake of partnership.⁵

The micro-dynamics of partnership

In our view, aspects of the micro-dynamics of workplace partnerships have significantly limited their diffusion of partnership in ways that we consider in this section.

Discontinuous commercial change: Mirroring the international literature, research on partnership in Ireland indicates that firms that introduced partnership as a new mode of working were commonly affected by acute commercial crises or faced major impending commercial change. O'Dowd's survey established that two configurations of conditions were linked with the genesis of partnership in unionized firms: either they had been subject to serious commercial difficulties, compounded by a legacy of very poor employment relations, or had adopted partnership in anticipation of future change and to test the benefits that might

accrue (O'Dowd 2010, pp 161-9). The adoption of partnership in the Irish Airport Authority, Waterford Crystal, Aughinish Alumina and FinanceCo and later during the post 2008 recession in the major retailer, Superquinn also in different ways reflected turbulent or discontinuous commercial conditions (Dobbins 2008, chs. 3-4; Geary and Trif 2011; Roche and Geary 2006, ch. 4; Roche et al., 2011 pp. 189-98). In all of these cases, the alternative strategy of marginalizing unions was simply not viable because they were well organized and difficult to displace.

To the degree that the adoption of partnership, at least in the case of unionized firms, commonly reflects acute external pressures, sometimes combined with a legacy of poor employment relations, by the same token partnership may be a great deal less appealing to management (or unions) in average or better performing firms. In these circumstances the challenges and dislocations involved in moving to partnership working may simply appear unwarranted by business or industrial relations conditions. In this way partnership may be a self-limiting phenomenon to a significantly greater degree than often understood. Partnership may simply fail to appeal to many average or better performing firms.

Compatible commercial strategies or operating systems: Irish case studies of partnerships involving unions in Aer Rianta, Waterford Crystal, Aughinish Alumina and FinaceCo indicate that partnership working is more likely to arise where firms have pursued commercial strategies that prioritize product or service innovation and quality (Dobbins 2008, pp. 72-8 and pp. 141-2; Geary and Trif 2011; Roche and Geary 2006, ch. 4). Partnerships were also sometimes introduced because firms were forced to adopt these kinds of operating systems as a condition of joining or remaining within the supply chains of major companies (Jacobsen 1995; Sabel 1996, ch. 2; McCartney and Teague 2004a; 2004b). In non-union

firms, partnership working was commonly introduced in conjunction with operating systems geared to total quality management, lean manufacturing, continuous improvement and other similar operating standards, or reflected the legacy of visionary founders (Kochan and Osterman 1994, pp. 56-8). Again these findings underscore the more limited attractions of partnership working in the many firms without compatible commercial strategies or operating systems, or with more conventional lineages and corporate legacies.

Parachuting partnership structures into public service agencies: In the Irish public service the parties directly involved in partnerships often viewed these arrangements as having been ‘parachuted in’ by decisions at national level rather than being well suited to operational-level problems challenges they sought to address. The withering verdict that partnership in the health service had a heavy emphasis on ‘relatively trivial issues such as smoking, coffee bars and car parking’ applied across a much broader terrain (Totterdell et al. 2010, p. 64). In the public service modernization process partnership structures were both loosely and tortuously coupled with mainstream management processes and the conduct of collective bargaining and had little real impact on decision-making (Boyle 2006; Doherty and Erne 2010). In the health service, structural reform and the advent of ‘clinical directorates’ further fragmented governance and served to marginalize partnership (Totterdell et al. 2010, ch. 5). The result of these features of the micro-dynamics of partnership in the public domain was that when the fiscal crisis deepened in 2009-10, partnership in the public service was not regarded as a credible channel through which to undertake public service reform.

The exacting challenges of partnership working: Virtually all Irish studies of partnership in unionized firms highlight the exacting challenges involved in working successfully through partnership. These include enlisting senior management support and involvement, engaging

middle managers and front-line supervisors, winning the support of trade union officials and activists – who must, in turn, avoid becoming embroiled in intra-union conflict over power and influence – and aligning representative and direct forms of involvement - to name only the most salient challenges catalogued in the research literature (Dobbins 2009 Dobbins and Gunnigle 2009; Geary and Trif 2011; Roche and Geary 2006; Teague and Hann 2010; Totterdell et al. 2010). Challenges of these kinds rendered partnerships vulnerable to crises and breakdown and could mean that outcomes failed to meet the expectations of one or more stakeholders (Roche and Geary 2006, ch. 8). It was a major role of agencies like the NCPP to identify these challenges and to provide advice on how they could be resolved. While the NCPP certainly played some role in this regard, 65 per cent of NCPP stakeholders surveyed stated that the work of the agency had ‘no impact’ or a ‘minor impact’ on their organizations. Only 35 per cent stated that the impact had been ‘modest’ or ‘significant’ (Department of the Taoiseach 2009, p. 54).

The macro-dynamics of partnership

The micro-dynamics of partnership were embedded in set of macro-dynamic influences which greatly constrained the diffusion of partnership at the workplace.

The disavowal of ‘hard law’: The use of statute or hard law to advance workplace partnerships was never on the cards in Ireland. A host of public agencies lined up to avow support for partnership working but public policy measures in support of partnership remained implacably hortatory in character (Forfas 1996, ch. 7; Government of Ireland 1996; LRC 1996; NCPP 2005; 2001; 2003). While supporting workplace partnership, the Irish Government sought to veto the 2002 European Directive on Information and Consultation, fearful that prescriptive arrangements for informing and consulting employees - representative arrangements were of particular concern - would impair Ireland’s capacity to

attract or retain foreign direct investment, especially from US multinational firms (Geary and Roche 2005).

Dissensus as to what partnership involved: The format of the framework agreement on workplace partnership in the *Partnership 2000* agreement reflected marked differences of view on the part of employers and unions about how partnership should be given expression in the private sector. Employers were concerned to allow for both direct and indirect partnership arrangements and for co-operative activities focused around specific areas like training, health and safety and financial participation. Unions favoured forms of partnership with a significant representative dimension. The national framework agreement accommodated these differences by allowing for multiple forms of partnership (and none, if employers or unions were not interested in the area) and by avoiding any prescriptive structures or arrangements. The format of subsequent framework agreements changed little. The underlying dissensus at work seriously limited joint support for partnership working.

The limits of public policy support: The trajectory of public policy support for workplace partnership reflected the same underlying differences and tensions. At the instigation of employers and unions, two co-directors were appointed to the NCP on its inception in 1997, one with a background in the Irish Business and Employers' Confederation (IBEC) and the private sector and the other a former public service trade union official. A dual directorate, which gave the appearance that employer and union nominees were 'marking' each other's activities, was hardly propitious for a partnership body, and soon the co-directors developed a division of labour in which the employer nominee focused on animating partnership in the private sector and the union nominee focused on the public sector. The governance of the NCP comprised a council made up of the social partner bodies and a 'liaison committee' with

representation from those bodies and outside experts. Within the liaison committee it soon became evident that some employer representatives were extremely reluctant to countenance any initiatives they regarded as departing beyond the strict terms of the national framework agreement. Employer representatives routinely methodically parsed both the text of the national framework agreement and an IBEC advisory document to delimit the types of activities in which it would be acceptable for the new agency to become involved.

Already by the end of the 1990s, the NCP was seen to be falling short of the expectations of its creators, especially the Government. In 1999 a review was undertaken of progress with partnership and the role of the NCP (O'Donnell and Teague 2000). This led to the disestablishment of the NCP and the establishment in its place of the NCPP. The NCPP was given a mandate to foster partnership as a vehicle for better organizational performance and had new personnel. The strategy of the NCPP focused on disseminating good practice, undertaking analysis and co-ordinating the activities of other agencies active in supporting partnership. Little direct facilitation activity was undertaken, other than in cases deemed to be of strategic importance (NCPP 2001). The same underlying dynamic that had shaped the NCP influenced and constrained the work of the NCPP. The new agency was confined to activities with which unions and employers were comfortable and which were thereby acceptable to public servants involved in the governance and work of the NCPP. Proposed initiatives that cut across employer and/or union deliberations, such as guidelines on financial participation, tended to be parked or delayed. Proposals or observations by independent members that were outside the comfort zones of the social partners tended to be rejected or ignored. If the concentration of modest resources on workplace-level interventions had been a criticism levelled at the NCP, the converse criticism was made of the NCPP. The agency

was seen to have had limited impact on the ground in firms and workplaces (Department of the Taoiseach 2009, p. 54).

The NCPP sought to widen the scope of partnership in the workplace by persuading the incoming Coalition Government in 2002 to include a proposal in their Programme for Government to establish a Forum on the Workplace of the Future (Department of the Taoiseach 2002). The basic objective of the Forum was to create consensus and co-ordinated policies to adapt the world of work to competitive pressure and Ireland's social vision (NCPP 2003). Tensions soon emerged within the NCPP when a 'scoping document' intended to set the agenda for the Forum provoked opposition, reported to have come mainly from employers' representatives, who saw the language in the document as threatening and held the view that the Forum should be confined to issues that had already been covered in the prevailing national social partnership programme (Dobbins 2003).⁶ The Forum reported in 2005, outlining a vision of the 'workplace of the future' and proposing a national workplace strategy focused on accelerating the pace of workplace innovation. The national workplace strategy repeated many of the objectives and policies of the NCPP and established a national innovation fund and a 'high-level implementation group' to co-ordinate and monitor policy (NCPP 2005). The Forum on the Workplace of the Future retained the hortatory emphasis of public policy and favoured disseminating good practice and encouraging public service reform via partnership channels.

By the time the NCPP was wound up, the workplace innovation fund had supported 36 of the 37 company-based projects which had applied for funding (Dail Eireann 2009). The work of the high-level implementation group had not significantly accelerated the development of partnership in the private or public sectors. The NCPP sought to increase public awareness of

partnership at work through a campaign of radio and TV advertising and by making the case for partnership on the livery of Dublin buses. The effectiveness of these measures was the subject of adverse comment (Department of the Taoiseach 2009). The framework agreement format for fostering workplace partnership was dispensed with by the last social partnership agreement, *Towards 2016* – an implicit acknowledgement that framework agreements had exhausted their role as catalysts for to the diffusion of workplace partnership. Partnership activity was henceforth intended to be supported through a series of policies and programmes across a range of public agencies. How such an approach might have superior outcomes to national framework agreements was never explained. IBEC and the ICTU withdrew from national social partnership in 2009 and 2010. The NCPP was abolished in 2010. Given the differences among the social partners on what partnership should involve and the constraints this imposed on policy and support agencies, little progressive policy development was evident over the fifteen-year period covered by this review.

In understanding the nature of public policy on workplace partnership and why so little change occurred, even as the limited diffusion of multiple partnership practices and arrangements became increasingly evident, it is important to locate partnership in the workplace on the larger canvas of the political economy of employment relations in Ireland. Contrasting views on partnership were inextricably connected with broader tensions surrounding the role and status of trade unions in the workplace, the perennially controversial issue of trade union recognition and the policy imperative – for employers and governments – to retain Ireland’s attraction as a location for foreign direct investment. The State, with the support of employers, opposed institutional or legislative measures affecting workplace governance or union representation, and these issues remained major fault lines in the Irish social partnership model (Teague and Donaghey 2009). Workplace partnership thus became

entangled and seriously constrained by the larger debacle surrounding work and employment in the Irish economic model.

7. Conclusions and Discussion

This review of the Irish experience suggests that the main source of the paradox of success with limited appeal is the absence of strong symbiotic institutional linkages between the macro and micro-dynamics of Irish social partnership. Developing social partnership at the national and organisational levels in Ireland ran in parallel, with only weak and sometimes disorganized institutional links existing between the two levels.

There are good grounds for thinking that workplace experiments on employee involvement initiatives such as partnership are more likely to be successful (and durable) if they are ensconced in a range of extra-firm institutional arrangements. Freeman and Lazezar (1996) argue that developing any form of employee voice mechanism at the workplace is rife with problems as management will tend to vest it with too little power while employees will tend to demand more power for it than considered optimal by managers. Thus, in many situations a market failure stands in the way of managers and employees engaging in mutually advantageous co-operative interactions. The solution to this problem is commonly seen as building institutional arrangements outside the firm in support of employee voice inside the firm (Streeck 1997). Given Ireland's strong reliance on foreign investment, national social partnership was never going to establish an institutional regime that effectively tied firms to workplace partnership.

But national institutional arrangements can support workplace experiments in ways other than constraining the autonomy of firms. Soskice (1994) shows how firms and external

institutions can interact without the use of mandatory rules to reduce information asymmetries and create incentives for the introduction of employee voice mechanisms. On this view, external institutions assist managers and employees in their endeavours to forge credible commitments on employee voice mechanisms such as workplace partnership inside firms: management and employees gain an assurance about the behaviour of the other party, but at the same time provide an assurance about their own behaviour on how partnership would function. This macro/micro interaction never emerged in the Irish case. As a result, the levels of trust and commitment between managers and unions needed to make workplace partnership a sustainable success were never really cultivated in the Irish case. The institutional mechanisms in support of workplace partnership were neither strong nor sophisticated enough to ensure its widespread diffusion. As a result the Irish case remains one of the paradox of success without widespread appeal.

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Table 1 Trend in the Diffusion of Partnership Practices Among Employees in Workplaces Recognizing Unions and Non-Union Workplaces

	<i>Workplaces Recognizing Unions</i>		<i>Non-Union Workplaces</i>	
	<i>2003</i> <i>% Employees</i>	<i>2009</i> <i>% Employees</i>	<i>2003</i> <i>% Employees</i>	<i>2009</i> <i>% Employees</i>
Profit sharing/share ownership/gain-sharing*	18.7	32.1	8.6	14.6
Direct involvement in day-to-day decision-making	28.2	39.0	21.6	30.0
Union representatives on partnership committees	40.3	42.9		
In receipt of education or training paid for by employer	53.3	55.4	38.4	41.0
Any 2 practices/arrangements	40.1	60.1	16.0	25.0
Any 3 practices/arrangements	18.7	29.7		
All practices/arrangements	4.0	8.4	↘ 2.7	↘ 6.0

Notes: * Question wording for item changed in 2009 and could have contributed to large increase in prevalence recorded.

Numbers interviewed: workplaces recognizing unions – 1,533 in 2003 and 1406 in 2009; non-union workplaces – 2,020 in 1993 and 2040 in 2009.

Source: UCD Irish social sciences data archive, archived NCPP survey data for 2009 NCPP. Data for 2003 derived from original survey datafile.

Table 2 Partnership Arrangements and Practices in the Public Service in 2003

	<i>% of Employees Reporting Arrangement or Practice</i>					
	<i>Civil Service</i>	<i>Local Government</i>	<i>Health Service</i>	<i>Education</i>	<i>Gardai/Defence Forces</i>	<i>Other Public Agencies</i>
	<i>%</i>	<i>%</i>	<i>%</i>	<i>%</i>	<i>%</i>	<i>%</i>
Union representatives on partnership committees	62.1	48.7	44.2	36.2	49.7	36.6
Direct involvement in day-to-day decision-making	36.1	27.5	31.4	45.3	33.0	29.4
Combined representative & direct involvement	24.5	18.0	18.2	23.0	27.8	10.8
In receipt of education or training paid for by employer	69.8	66.3	59.9	48.8	68.0	63.9

Source: See sources listed at the foot of Table 1.

¹ Latent class modelling of data on partnership collected in 1993 also revealed a virtually random pattern of diffusion of partnership practices, with little evidence of any clearly defined or cohesive models of widespread currency (see Roche 2008).

² Unfortunately, the archived NCPP 2009 survey dataset does not permit a comparison with the data for 2003 presented in Table 1.

³ Although the statistical associations between outcomes and partnership, involvement and cognate areas (e.g. ‘shared governance’) draw heavily on indices measuring the latter types of activities, few details of how the indices were constructed are given in the study.

⁴ As the authors themselves acknowledge, the survey was conducted among members of a trade union hostile towards national social partnership agreements, if not so unambiguously so towards partnership at the workplace (D’art and Turner 2002).

⁵ This section draws heavily on the authors’ experiences as participants in and advisors to public and social partner bodies concerned with supporting the development of partnership. Roche was a member of the Advisory Committee of the Unit on Partnership in the Enterprise, established by the Fianna Fail-Labour Coalition Government in 1993. He was retained by the NESC in 1996 (with Tom Kochan) to report on strategies for extending partnership to enterprise and workplace levels. In the same year, he was retained by IBEC to report on the experiences of leading companies with partnership and involvement. In 1996 he was commissioned by the Labour Relations Commission to advise on the development of the Commission’s strategy. In 1998 he was appointed a member of the Liaison Committee of the National Centre for Partnership. In 2001 he was engaged by the recently re-established NCPP to advise on the development of the agency’s first strategy document. He was subsequently appointed by the Government to the Council of the NCPP and chair of its Research Advisory Committee. In 2003, he drafted the background conceptual paper for the NCPP on the Forum on the Workplace of the Future and chaired a group tasked with developing a scoping paper for the work of the Forum. In 1996 he was commissioned by the Department of Enterprise to lead a research team conducting an assessment of partnership in Aer Rianta, and was subsequently appointed a member of the Joint Union Company Group overseeing the Aer Rianta partnership initiative. Apart from his many papers on workplace partnership in Ireland, Paul Teague was involved in the evaluation of progress with workplace partnership and of the role of the NCP, commissioned in 1999 by the Department of the Taoiseach. The subsequent report led to the establishment of the NCPP in 2001.

⁶ The ‘Forum Scoping Group’, which comprised academics, researchers and staff members of the NCPP was chaired by Roche. The draft scoping paper presented an unvarnished analysis of the labour market, work and institutions. The basis of employers’ or other parties’ objections to the document was not made clear. A request by the chair, on behalf of the Scoping Group, that specific objections should be outlined and that the Group should be allowed to consider revisions in their light, in accordance with standard practice, was met with the response that the document was being ‘interred’.

