

I. PRESIDENTIAL ADDRESS

Developing Leaders for the Workplace of the Future

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Introduction

Over the past two to three years, a growing succession of labor disputes have made headlines. In California, the West Coast Ports reached a labor impasse in late 2002. This dispute, which affected twenty-nine ports from Seattle to San Diego, captured the attention of many not only in the labor and management community, but also in the business community, because of its impact on the U.S. economy. The ten-day lockout by the employers prompted by a work slowdown by employees, reportedly cost the U.S. economy nearly a *billion dollars a day*. A prolonged and even more costly dispute was only narrowly avoided, thanks to the very experienced negotiating abilities of the advocates representing the parties and the dedication and tireless efforts of Federal Mediation and Conciliation Service (FMCS) director, Peter Hurtgen.

Less than a year later, a labor dispute in the grocery industry in Southern California, started with a strike at Von's and quickly escalated to a lockout at Albertson's and Ralph's. This dispute, which lasted for four and a half months, from mid-October through February, involved more than 60,000 employees and 875 stores throughout California. In southern California, which is not a highly unionized area, it was a unique and eye-opening experience for many shoppers affected by the labor dispute. Again, because of the tireless and determined efforts of FMCS mediators, led by Hurtgen, the dispute was finally resolved to the extent the strike and lockout ended. I say "to the extent

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the strike and lockout ended,” because the litigation surrounding the work stoppage has continued and may be growing in volume even as I speak.

Almost in time for the 2004 holiday season, a labor dispute occurred in San Francisco between fourteen hotels and the Hotel and Restaurant Employees Association. This dispute, which lasted more than ten weeks, was resolved just before Christmas, again with the help of mediators and considerable “encouragement” by the mayor of San Francisco. Although these disputes were on the West Coast, labor disputes occur everywhere and seem to have no geographical preference.

The Increasingly Critical Need to Resolve the Issues Underlying Labor Disputes

Last fall, I taught a graduate labor relations course. For the final, I asked the students to discuss a recent work stoppage and the reasons for it and identify the “winners.” All of the students clearly identified one or more work stoppages in the past one or two years and stated the reasons for it, but none of them was able to identify a “winner.” Some of you listening to this talk at this point might be thinking, “So what’s new, don’t labor disputes, strikes and lockouts happen all the time?” or “It had to happen because the union or management needed to assert its rights or take a strong position on _____ or _____ or _____.” (You can fill in the blanks.)

As everyone in this room knows, there are many factors that contribute to labor disputes and work stoppages. If we look at these recent labor disputes, however, it is easy to see that they all have resoundingly common themes:

- Health insurance costs and quality of care;
- Pension benefits for current and future retirees;
- Retiree health care; and
- Job security issues surrounding technology and globalization.

Until we find a way to at least successfully address these issues in a meaningful way, the reality we all face will be that more and more negotiations will result in work stoppages, which hurt everyone and benefit no one. As the graduate students in my labor relations course understood, there are seldom any winners in these disputes—only employees who lose wages, benefits, and in many cases the entire way of life they have worked hard to achieve and companies who lose customers, profits, and, in some cases, their ability to stay in business.

This emphasizes the critical need we have to solve these issues and to identify what must do to solve them. My purpose here today is not to come

up with a “magical potion,” or even a great idea to solve these issues. (If I had these, I would go on the talk show circuit, make lots of money, and give some of it to the Labor and Employment Relations Association.)

More seriously, we have established other forums with experts to generate the ideas to help solve these problems. I have been working with Steve Sleigh, our incoming president, for several months and will continue to work with him on the National Policy Forum in June, which will focus on health care and pension benefits. (That was just a quick commercial break for the National Policy Forum.) My focus here is to emphasize what is necessary to develop knowledgeable labor and management practitioners who will become tomorrow’s leaders and visionaries.

Developing Future Leaders through Education and Training

Solving the issues we face today is not a one-step process. Our objective in the National Policy Forum in June is to begin the process of solving the issue. Along with this important step, we need to focus on creating our labor and management leaders of tomorrow.

Developing leaders requires the same commitment as solving a problem. Twenty years ago, when I was a new practitioner in this field (and barely old enough to be legally of age to work), there was an incredible array of educational and training opportunities available to me. In addition to workshops offered by the FMCS and the American Arbitration Association (AAA) offered a tremendous selection of courses, ranging from one-day seminars to two-week intensive courses. As a new practitioner in the labor-management relations field, these opportunities were invaluable. After several years of practice, I was also fortunate to be asked to teach in these workshops. One of the bonuses of attending these external programs was the opportunity to interact with not only other management practitioners, also but labor practitioners, arbitrators, and mediators. Further, at least in my industry, there were many industry-sponsored training opportunities.

Today, only a few AAA courses are offered in limited locations, and there are very few industry-sponsored training opportunities. The FMCS is now the major provider of these training programs, and those programs offered are understandably limited by the funds and staffing available. The result is a very significant lack of easily accessible, affordable, and available training programs.

Twenty years ago, many of our colleges and universities also offered courses in labor relations and many had industrial/labor relations institutes. Today, there are only a small number of academic institutions offering courses in labor relations, much less undergraduate or graduate degrees.

Many academic institutions also no longer have industrial/labor relations institutes where research in this field is done and training programs for practitioners are often sponsored. Every year I hear about one more university closing its institute or no longer offering degrees or sometimes even courses in labor relations.

In a recent grievance meeting with a shop steward from one of the unions representing my company's employees, this lack of vital education and training was very evident. The shop steward, who had done a great deal of research and was very sincere, presented a number of cases on his member's behalf. Unfortunately, these were all "criminal cases" and not at all relevant to the issue in his case.

Mentors for Future Leaders

Learning is not, however, limited to formal education or training programs. A very important part of learning is also having the right mentor. A mentor is defined in Webster's dictionary as "a trusted counselor, guide, tutor, or coach." I have been very fortunate in my career to have had—and still have—many wonderful, knowledgeable mentors. My mentors have not been limited to management representatives, but also include union advocates, mediators, arbitrators, professors, researchers, and others in the field. Many are here in the audience today.

A few minutes ago, I honored two of my mentors when I presented the Lifetime Achievement Awards. Walter Gershenfeld, who is a well-known and esteemed arbitrator and the immediate-past president of the National Academy of Arbitrators, was instrumental in my moving into a leadership role in this organization. He has been an advisor and a sounding board on many professional matters since I became a member.

The second recipient, Kenneth Ristau, was a mentor to me for more than two decades, and, even though I did not always follow his advice (much to his dismay), he was always there to listen and give his advice (sometimes even without charge). Ken, who was a partner with Gibson, Dunn & Crutcher and named as one of the best lawyers in America, loved collective bargaining and labor arbitration. His enthusiasm for this field was one of the reasons my career focused on labor relations and collective bargaining.

In one of my first negotiations, I "acquired" three great union mentors. I continued to negotiate with one of them for several years. What I learned from all of them, but especially from one person, was integrity and the value of mutual trust. At the beginning of a negotiation, he would ask me how much money I was authorized to spend. I would tell him and then we would discuss the best ways to allocate the available monies for the employees

within my board's direction and bargaining objectives. This worked because we relied on each other's honesty and integrity. He could also get "last-chance agreements" for his members from me when no one else could have, because he always followed through with his commitments.

Mentoring can be a two-way street. You may be a mentor to someone in one area and he or she may be your mentor in an area that is new for you. Today, I have many colleagues who still serve as mentors and now also call me for advice and assistance.

The reason I selected this topic for my presidential address is because I am very concerned about whether we will have the education, training, and mentors to develop the labor-management leaders of tomorrow. The issues we are facing are increasingly complex and require strong, knowledgeable leaders.

In *Leading Minds: An Anatomy of Leadership*, Howard Gardner profiles several prominent leaders. Gardner describes a leader as a "person who by word and/or personal example, markedly influences the behaviors, thoughts and/or feelings of a significant number of their fellow human beings" (HarperCollins, 1996)

In my first newsletter as your president I asked, "What do members really want?" and attempted to answer the question. I believe we now have the opportunity to give members an invaluable benefit by being mentors to develop them and their successors as our future labor-management leaders.

Although we may not be able to re-create all the education and training opportunities that used to be available, we can substantially increase the opportunity for learning by expanding our roles as mentors. Before you leave this conference, I would like each of you to think of at least one person for whom you can serve as a mentor. This does not require a formal program, but it consists of being available to share your knowledge and expertise. I invite you to not limit this to someone who is obvious, such as a subordinate in your organization, but rather to think of it in much broader terms and look for opportunities to be a mentor to individuals in different aspects of this field.

Conclusion

Winston Churchill is quoted as saying, "We are shaping the world faster than we can change ourselves, and we are applying to the present the habits of the past." In reflecting on this quotation, it becomes imperative for all of us to remember that "what we are applying from the past to the present" also creates the future, and to create the future we want we must contribute the best we have to give.

I am sure the three union negotiators I spoke of earlier did not realize the positive and important influence they would have on my career. In the same way, each of us has the opportunity to positively influence the development of tomorrow's leaders in this field. These are the leaders who will meet the increasing challenges of today and tomorrow and fulfill this organization's vision by creating an even better workplace of the future.