

POSITIVE BENEFITS OF PARTNERSHIP FOR QUALITY

For ASURE

- No organised work stoppages during ASURE's seven year history
- Potential for ASURE to sell its services offshore to other meat inspection agencies
- The maintenance of ASURE's head office overheads at very low levels
- Increased efficiencies in management structures
- Smooth introduction of new computer operating and control systems

“Partnership creates relationships that can support resolution or discussion of issues. We can discuss different views with organisers and determine the best way forward. Partnership provides a framework that takes a lot of emotion out of decision making. Using the collective agreement as a starting point we map out a dispute or problem and its potential outcomes without having to carry out the steps. It avoids dead ends.”

Senior ASURE manager

For PSA members

- New or improved benefits for PSA union members such as salary increases, paid meal breaks and increased benefits for relieving.
- The creation of a National Certificate in Meat Inspection
- A specific payment to PSA members recognising the value of the relationship to Assure's profitability. This is made in conjunction with the settlement of the collective employment agreement and called The Partnership for Quality Dividend

“If they didn't have partnership they would have total chaos. Partnership constitutes the rules of engagement, without that there would be war.”

PSA Organiser

For the PSA

- Involvement at a strategic level
- Support to build and resource its organisation more effectively

“Overall, partnership has been beneficial. Beneficial to the PSA because ASURE has supported and paid for regional meetings and this has resulted in a strengthened and more united approach.”

PSA delegate



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The Partnership Resource Centre publishes case studies and other publications to promote best practice and share experience in partnership approaches.

To find out more about the Partnership for Quality at Assure and other examples of workplace partnership in action, visit our website at <http://www.dol.govt.nz/services/partnershipresourcecentre/index.asp>

Printed copies are available from the Partnership Resource Centre, PO Box 8705, Wellington ph 04-931-6066.

Department of Labour
TE TARI MAHI



PARTNERSHIP FOR QUALITY BETWEEN ASURE NEW ZEALAND AND THE PSA

A CASE STUDY



ASURE is a business that occupies a crossover between the public and private sectors in New Zealand.

This case study illustrates that

- **business and its goals can be better served by; active engagement, a focus on quality productivity and worker participation, and an acknowledgement and encouragement of collectivism through unions.**
- **a union with a commitment to quality services, quality jobs, worker participation and contribution can deliver improved working conditions to workers and be entirely relevant within an enterprise whose primary function is to run the business commercially.**

The Challenge

Since 1998, when ASURE became a State Owned Enterprise, there has been a real possibility that its services could be open to competition or privatisation with a resulting threat to its market position and viability.

ASURE decided that a high priority was to bring costs in line with a theoretical market competitor to avoid losing business and save jobs. It made a strategic decision to involve the union in this process.

CEO Terry Pierson was aware that Assure's objectives couldn't be achieved without the support of staff and the union which represented the great majority of them.

Employees had to adapt to a very different environment, including changes to structures and systems, and threats of reductions in staffing levels and significant changes to their long-held employment conditions. The challenge to the Union was to assist members to adjust to the new environment and continue to meet their expectations of continuing improvement in their working lives and terms and conditions.

“ASURE's meat inspection services are now recognised as the benchmark for best practice in the world. The development of the ASURE operating system, Pi3 MasterCube and the statistical process control search system featuring Pi3 BenchMarks would not been achievable on a cost-effective basis or in a reasonable timeframe without PSA members' positive and active support.”

ASURE CEO Terry Pierson

PARTNERSHIP
RESOURCE
CENTRE



**KEITH GUTSELL,
PSA PRESIDENT AND DELEGATE**



**TERRY PIERSON,
ASURE CEO**

THE PARTNERS

ASURE New Zealand

ASURE is a State Owned Enterprise recognised internationally as operating the most advanced and sophisticated meat inspection services in the world.

ASURE staff inspect all New Zealand's export meat, working on 85 meat production sites throughout New Zealand, processing 50 million animals a year. ASURE employs up to 975 staff at peak season and also offers other products and services to the meat industry.

In September 1999 ASURE became the first SOE to sign a Partnership for Quality agreement with the PSA.

ASURE has opened itself up to partnership in all facets of its operation, from its board of directors down to its 85 work sites.

The Public Service Association

The PSA is New Zealand's largest state sector union. In the late 1990s it promoted a new approach to industrial relations – Partnership for Quality (PfQ).

The strategy is to work in partnership with employers who share the union's commitment to satisfying and

rewarding jobs and see PSA members as an essential part of building strong services for customers, clients and citizens. This is underpinned by a formal agreement with the Government to involve PSA members in decision-making in the Public Service so they share ownership of plans, issues, and problems with their employer.

Around 770 of ASURE's employees are members of the PSA and covered by the collective employment agreement.

The Building Blocks of Partnership for Quality at ASURE

For ASURE and the PSA the common ground which enables them to work together for the overall benefit of the business and the employees is working constructively together in ways to "grow the cake" by adding value and/or reducing costs.

This doesn't mean they agree on everything. For example, ASURE favours the deregulation of meat inspection activities leading to competition. The PSA opposes the need for contestability.

ASURE needed efficiency gains to prepare for possible de-regulation. The PSA saw improved performance as a means of averting further privatisation.

“ A relationship characterised by: *“Complete honesty underpinned by transparency and respect.”*

ASURE CEO, Terry Pierson



How the PSA and ASURE put partnership into practice

The essence of ASURE and the PSA's partnership agreement is embodied in their collective employment agreement:

- a commitment to no surprises, and
- problem solving to promote the speedy resolution of problems by participative methods.

Communication

Day-to-day implementation of the PfQ means open and consistent communication is essential. At ASURE:

- Staff and the PSA see the same business plans
- Delegates receive the same presentations as managers, on the same day
- The ASURE weekly bulletin is a vehicle for two-way communication and action with staff feedback collated with action points for managers and provided to the CEO and the Board.
- There are quarterly review meetings between the PSA and ASURE
- Liaison with the union is included in supervisors' position descriptions.

An environment has been created that allows "free and frank" discussion, with an emphasis on resolution of any issues that may arise.

Dealing with Difference

How ASURE and the PSA deal with differences is a pointer to why the relationship succeeds.

- Neither tries to change the other's fundamental beliefs
- Both communicate to gain understanding of the other's beliefs and positions
- Both continue the search for common ground.
- Both PSA delegates and plant supervisors are now routinely trained in skills required for conflict resolution and win/win. When conflict does occur there can be a greater emphasis on a resolution of issues at the worksite level.

“ *“Partnership encourages dialogue. It makes it easier for ASURE to manage their business. There have been no major disputes since ASURE was formed.”*

PSA delegate

