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# Part 2: Sustaining a Collaborative Model

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## A case study of Aruma and the ASU

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# Part 2: Sustaining a Collaborative Model. A case study of Aruma and the ASU

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This is a case study of a workplace that has used a collaborative approach since 2014. This case study has been split into 2 parts. Part 2 of this case study examines the enduring nature of this collaborative partnership identifying the key features, experiences and processes that have sustained cooperation.

## Introduction

Aruma is a large, not-for-profit service provider in the disability sector. It was known as House with No Steps until its 2018 merger with the Tipping Foundation produced its new name in July 2019. Throughout this case study, only the current name (ie Aruma) will be used. Aruma was one of the early 'success stories' of the Fair Work Commission's (FWC) Cooperative Workplaces Program (formerly known as the New Approaches program), having worked since 2014 in a collaborative partnership with the Australian Services Union (ASU), which represents most of its workers in New South Wales, and The Services Union (TSU), which represents its workers in Queensland.

The story of this partnership is told in two parts. Part 1 of this case study describes the process by which this unusually cooperative relationship was established and developed between 2014 and 2020. In particular, it explores the key moments, the forms that cooperation took and the benefits cooperation delivered from all parties.

More remarkably, the collaborative relationship between Aruma and the ASU/TSU became unusually deep and enduring – it was still going strong in mid-2020. All these parties recognised the sustained



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cooperation between managers and the ASU/TSU as unusual – it is different to what happens elsewhere because there are strong countervailing forces that make collaboration difficult, and which must be overcome.

This is Part 2 of the story, which focuses on explaining why cooperation took hold at Aruma and the reasons why collaboration has endured. This explanation involves a combination of factors coming together in a particular context. In particular, the dominant factors have usually been associated with the agency of the parties themselves. These must, however, be complemented by the more “structured” contexts within which the parties were operating, most of which work against cooperation, but some of which support it.<sup>1</sup>

## 2. Factors supporting sustained cooperation

There is some value in recognising structural factors – the peculiar characteristics of Aruma as an organisation and the broader context in which it operates – in explaining the success and sustainability of the collaborative model. However, the factors identified by the parties themselves focused more on agency: the individual managers, union representatives and tribunal members in key positions; their continuity in their roles; their values; and therefore the choices they make and the directions in which they take their respective organisations.

### 2.1 The limited power of structural explanations

Some argued that the sustained success of collaboration could be explained by peculiar features of Aruma as an organisation and the external context in which it operated. Collaboration, for example, was said to be more likely because of its status as a not-for-profit organisation operating in the disability sector, where funding came mostly from the government, and the caring values shared by managers and workers in the disability sector. Moreover, it could also be argued that the introduction of the NDIS and the demands it created for constant organisational change provided a strong motivation for management and the union to work together to meet the external challenge.

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<sup>1</sup> The explanation developed in this case study draws on the thoughts and words of 15 interviewees (7 managers, 7 union representatives and one tribunal member), which revealed remarkably similar patterns. They have been organised by the researchers and presented under various headings in order to develop coherent themes.



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There is some validity to this argument. The organisation's not-for-profit status meant that management was not compelled to focus on short-term profit and could instead develop a longer-term strategy. As a provider of services to the disabled, there is little doubt that management shared values and common goals with its workforce and their union, which made cooperation more likely. The existence of an external threat – in the form and rapidly changing nature of funding rules via the NDIS – also forced the parties together.

At the same time, however, these organisational features and external pressures are evident in many other provider organisations in the sector, and they have not developed the same level of collaboration as Aruma and the ASU. These structural features, therefore, do not explain everything.

## 2.2 Early joint leadership

The importance of senior leaders on both management and union sides was a theme oft-repeated. As one manager put it, "...it's absolutely about the individuals". A union official also captured it well when he said, "you have to have the right type of people":

"... having the CEO, the leadership, decision makers of the organisation on board was a must. That was massive. And then I think equally to match that, having the leadership of our union involved ... as well."

The initial choice by these senior leaders to pursue a cooperative transformation at Aruma – especially at the outset – was partly motivated by a desire to avoid the damage inflicted on the organisation and the ASU by the 2013 industrial dispute (described in Part 1). As the CEO said of he and the ASU secretary 'we agreed with each other that we would never end up in front of the Fair Work Commission in a dispute again.'

Both senior leaders, however, saw it as vital to spread knowledge of and commitment to collaboration as widely as possible. The union secretary, for example, reported that after initial discussions she had with the CEO and Deputy President Anna Booth, "we both said it sounded okay to us, but the only way we could see it happening and working was if both of our teams ... [embraced it]... [For] us, it was the whole membership of the Union, so all the workers. For [the CEO], the management team."



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The extensive workshops conducted during 2014-2016 provided the early mechanism for this engagement because they brought together a wide range of managers, workers and union delegates.

The union secretary observed:

“One of the key distinguishing features [of the Aruma experience] is that groundwork of getting a lot of people involved... I think that's the reason why this was so successful...”

A union official also argued that the inclusiveness of the early interventions was essential:

“The other thing which is really key is that, and this happened from the beginning, there's been real regional and middle management training... In retrospect, that has probably been one of the most powerful and successful parts of the whole relationship because it has meant that it's really distilled fully down in the company's management structures.”

At these workshops, the CEO and the union secretary consciously sent powerful messages to their respective “teams” by attending and actively participating in every event. The CEO, for example, said:

“I went to every single [workshop] just because I thought that was an important signal, just talking about what the Fair Work Commission called the [Cooperative Workplaces] Model... talking about interest-based approaches to working together, and educating people on it. I think I was sending pretty consistent messages that this was important, this made sense for our staff, it made sense for the organisation, and it was how we wanted to engage from that point on.”

His intent, and effect, was confirmed by a senior HR manager:

“... from [the CEO] and from my managers, the messaging, the [communications] that went out to our senior managers and middle level managers was, ‘this is what we're trying to do, this is what we're trying to achieve’. They were supportive of the workshops with Deputy President Booth and made that known to everyone.”

The union secretary also attended and actively participated in all of the early the workshops. It was a “big commitment”, she acknowledged, but it was “really valuable” not only to “send the message”, but also to get “lots of people involved, instead of a select group in a room who are telling everyone else [what to do]”.



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Leadership was also delivered through the consistent use of language. One HR manager observed the words used by senior managers when they spoke about the union, “they started to use the term: ‘our union partners’... ‘we work in partnership with the union’”. A different senior HR manager later acknowledged that this consistent message gradually became part of “business as usual” at Aruma:

“We’re constantly talking about our union partners ... Nobody who works in this organisation would ever have seen anything that denigrates the unions or undermines them or questions their contribution. There’s a very, kind of, just pluralistic approach. That’s what people expect.”

Finally, it was important that leadership was “joint”, with both sides using their words and actions to emphasise the importance of the Aruma-ASU relationship and working together towards common goals. This was made clear through joint support for the workshops, the way in which they were organised and delivered, and in the communications that emerged. As one manager reported: “... we agreed at certain times with the ASU on joint communications and that we wouldn’t send something out without them having a look at it first, and vice versa.”

### **2.3 Management continuity and their efforts to embed collaboration**

After the early acceptance of collaboration, a key element in its sustainability was continuity in the individuals occupying senior leadership positions. On the management side, the CEO held his position continuously from 2006 onwards, while the person in the senior HR manager role held it until 2016, when she was replaced by one person who continued to perform the role until 2020. The long-serving head of support services also supported collaboration. The result was, according to the senior HR manager:

“The CEO, the Chief People Officer and the Executive Director of Support Services, who was trained in industrial relations as well, are three reasonably powerful people... in the executive structure who can ... see the benefits for the organisation and were philosophically aligned with [the collaborative] approach. So, there’s something in the mindsets of some of the senior people.”

The individuals on the management side were especially important because they had the authority and resources to promote cooperation, but more importantly to embed cooperation-friendly policies and practices within the organisation. As a union official put it, “they have levers”. And managers used these levers to consciously entrench cooperation in the “culture” of the organisation.





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One of the ways by which collaboration became embedded was through the exercise of hierarchical authority. For example, an HR manager, who was not completely enamoured with the ASU, reported that:

“For me, it comes from my manager, and then for her, it comes from her manager. So, it is part of what we’ve been told that is required as a HR professional at Aruma. If we’re making significant changes within the workplace, then we need to consult with the ASU and let them know what is happening... It’s directed from the organisation that we consult with the ASU in terms of changes...”

This commitment to collaboration was only possible because it was consistent with the organisation’s broader strategies. As one senior HR manager put it:

“There is a strong alignment between our strategic positioning – the way we see ourselves as an organisation – and ... the principles of [Cooperative Workplaces] ... I think that’s important. If we’d have decided to become a player in the market by being a low-cost provider, we’d have had to rely on a casualised workforce and that ... clearly doesn’t fit.”

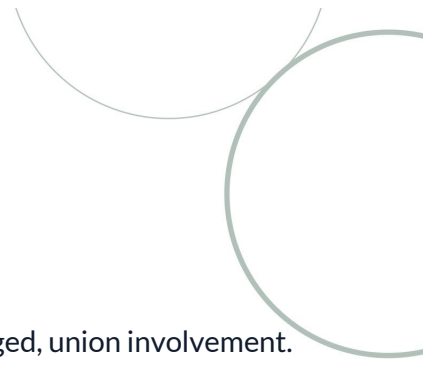
Union representatives acknowledged, even applauded, what they called management’s “high road” strategy, which they saw as producing more training, great job security and worker involvement. Their most recent example was Aruma’s response to the COVID-19 crisis, which a union official argued demonstrated again that Aruma management was “a legitimate sector leader” by showing “they care about staff”.

Relatedly, the CEO emphasised the values of the organisation, its workforce and their unions, which he saw as closely aligned:

“... you could argue that the beliefs and the values that we seek to inculcate in the organisation as a whole are important drivers of how we deal with other people, not just our customers or their family members, or each other within the organisation, but also external organisations like customers, suppliers, partners, unions... So, we have had a real push for over a decade now on respecting and valuing the inherent worth of every person; and valuing and respecting the human rights and dignity of people with a disability, in particular, and our customers, absolutely in particular.”



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Reinforcing these words were additional practices that accepted, even encouraged, union involvement. The unions, for example, were given time at the induction sessions of new employees to talk about the union and promote membership. Management provides union delegates with paid opportunities for training as delegates, while union officials and delegates were automatically consulted and/or included in decision-making over a wide range of matters (see Part 1).

Another practice that re-produced cooperation involved the recruitment and selection processes for new managers. The union secretary explained the importance of this to continued cooperation:

“I’ve seen in other organisations ... where a new manager comes in and everything just hits the fan again, because that person’s like, ‘Nope, that’s not how I do it. I was the manager at [another company]. That’s not how we work.’ ... Whereas, at Aruma, when new managers come in [... it’s quite different]. [Management are] clearly doing something internally, maybe it’s about how they recruit, about people’s attitudes towards workforce and what their role is, in being more facilitative as opposed to command and control.”

A senior HR manager provided some detail on how the recruitment and selection process worked:

“When [we] are interviewing for execs, we always ask something like, ‘what role do you think unions play in the economy?’, or something like that. ... We’d never appoint anybody to executive level who doesn’t come back and say something positive about the contributions that unions make. We’re recruiting people at that level that have ... some experience or the mindset.”

A different HR manager gave another example:

“[We’re] recruiting for the IR Manager role at the moment. We interviewed someone on Tuesday afternoon who’s a very experienced guy, but the language that he was using was very old school, even saying, ‘oh no, you keep the unions at a distance’. He wasn’t successful getting into our next round.”

Training in interest-based bargaining and in cooperative skills more generally was of course considered vital to sustained collaboration. The big initial step was training led by DP Booth in the early workshops, but this was reinforced by training sessions conducted by HR managers within Aruma and later “call-back” sessions conducted by DP Booth in 2019-2020. As one senior HR manager put it:



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“... we’ve got new managers who have started with us and they don’t understand the interest-based approach, they’re not used to dealing this way with the unions. We need to make sure we’re educating them that this is our organisational position; this is how we work with the unions... [It] will come unstuck if we don’t continue to train people and educate and make people aware of our approach.”

This training, however, has to be consistent with everyday practice. As the same manager said, “I think it’s education and training about our approach, but then ensuring that we’re reinforcing and picking up on behaviour that’s not appropriate.”

## 2.4 Union continuity and their efforts to embed collaboration

There was also considerable continuity in personnel on the union side. In New South Wales, the original union ASU Organiser subsequently became Assistant Branch Secretary and then Branch Secretary, thereby being able to oversee and sometimes participate in the collaboration at Aruma. Her place was taken by another Aruma organiser, who subsequently became Assistant Secretary, also maintaining a role at Aruma. Finally, a union organiser appointed to coordinate Aruma in 2016 was still in that role. Similarly, in Queensland, the Secretary and Organiser for the TSU has long tenure.

This continuity and the leaders’ on-going knowledge of and support for the collaborative relationship with Aruma managers allowed the unions to contribute to its sustainability, especially by consistently demonstrating attitudes and behaviours that built trust and achieved mutual gains. The need for reciprocity in the relationship was never far from the surface. As one union official put it: “there’s always work to be done on staff culture... trust is not something you win and then keep, you have to keep feeding it, and it needs to be... two-way.”

Moreover, the ASU secretary’s recognised the need to embed the early collaboration at Aruma into the culture of the organisation:

“... if the only people who are really committed to [collaboration] are at the very top, and the only reason it succeeds is because the very top demand those around them engage and participate, then when that person leaves, there’s no one on playground duty and it’s going to go terribly wrong.”



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Towards this end, union representatives consistently participated in the many consultative and decision-making mechanisms at Aruma in a proactive and cooperative fashion, advancing common interests wherever possible, whilst never neglecting the importance of membership consultation and the union's role in representing the often separate interests of members.

As already discussed, the unions' pursuit of this delicate balancing act was made a little easier by the commitment of Aruma management to "the high road", providing union members (and the Aruma workforce more generally) with what the union saw as more secure employment, greater training, better conditions and respect for the union and its members.

The unions invested considerable resources into the collaborative relationship at Aruma: the time and effort of its senior leaders as they participated in training workshops, regular leadership meetings, policy-making forums, dispute resolution processes and even joint presentations by officials at public forums. In NSW, the ASU also engaged a full-time Organiser dedicated to serving members at Aruma, made possible by the high level of membership it enjoyed:

"Basically what we've tried to set up is a system whereby we have an organiser who supports our members, primarily [through] the delegates. She does that by regularly visiting workplaces when staff come together for staff meetings and supporting delegates to be elected where they're not and for delegates to come together regionally, based on the regional structures that exist within the company. Then there are often regional forums of a regional manager and our delegates that might meet, similar to a Joint Consultative Council but not as formal as that. They're quite informal actually, which is nice."

Union officials were educating and training their own delegates as well as managers in the ways of collaboration, especially as new people come on board. As one official put it:

"We have ... ongoing work with our delegates. We have had a core group of delegates throughout, but through natural attrition or for personal and professional reasons there's sometimes been changes or additions, and I've had to do work with them beforehand ... to inoculate them against [the traditional adversarial approach]. It might seem upon first participation that everyone's in bed together... I think it is challenging when a delegate comes in, both because they might think that a union delegate has to have a certain kind of, you know, 'stand-uppedness', but also because they can be intimidated by how open we are [in interest-



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based discussions]. That makes our delegates feel vulnerable... It takes a couple of goes for people to believe that they can tell the truth and have constructive feedback for mutual shared benefit.”

## 2.5 Success breeds success ... and trust

The early success of collaboration at Aruma, but also its longevity, were also explained by the fact that it produced outcomes of value to both sides – mutual gains. This established a virtuous cycle by which success bred success, thereby reinforcing the value of collaboration for both sides. An “early win”, for example, came during 2015 in the form of more consultative rules about rostering (see Part 1, section 2.2). Further “big picture” wins came in the two major restructures which allowed Aruma to respond to the imperatives of the new NDIS system (“fit-for-purpose” during 2016-2017 and the later “project focus”, beginning in 2019) plus the industry-level initiatives and smaller issues that were resolved through informal processes (see Case Study Part 1, sections 2.3-2.7).

The progress of collaboration through these different types of “wins” also allowed individual managers and union representatives to develop trusting relationships; as the CEO observed, “you can’t do it without relationships and trust”. But trust takes time to grow and it comes from each side being able to rely on the words and actions of the other. As a union official reflected:

“People listening to each other and deciding to work together for shared priorities in complex situations through their trust and relationships ... can achieve extraordinary things... [But] it takes a long time... for people to get over their egos. It takes a long time for the different but entirely reasonable stakeholder priorities [to become] shared priorities. You have to talk about that stuff for a long time to have an agreed central page that you’re going to work on.”

At Aruma, trust was tested and repeatedly confirmed over the period between 2014 and 2020. With increased trust came greater flexibility and forgiveness, which allowed the parties to discuss many issues and resolve problems. It came through the maintenance of confidentiality about matters raised in the senior leadership meetings. It was also evident in joint public appearances by managers and union officials which became common from 2015 onwards. As a union official observed:

“There was a sense of jointly owning everything we produced together, even though particular sides might have come up with or put the problem on the table, there was a real celebration of



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‘Yes, our workforce and union members wanted this issue to be raised and we were really happy to do it with them and now we’re all celebrating the outcomes.’”

## 2.6 The third party

Another element of the Aruma story that was widely recognised to explain the early success of the collaborative venture and its longevity was the role of the independent third party in bringing the parties together. In this case, however, the narrative often conflated the contributions of the individual (in this case, DP Booth) and broader institution of which she was a part (namely, the FWC). A senior HR manager summarised her impact:

“We wouldn’t have been able to get to where we have got to today without intervention from DP Booth. Without [Cooperative Workplaces], the interest-based training that we undertook as senior managers to start with, and then the training that she rolled out for us across our organisation with our middle managers and senior managers about what that looked like, we wouldn’t be in the positive relationship mode that we are now with the ASU/TSU. That was huge, the fact that we had a separate neutral intermediary resource to assist us and someone who understood where the unions were coming from, so it wasn’t seen by the union as being weighted to the employer, and likewise she understood where employers came from and made that clear so it didn’t seem weighted to unions. It was really balanced.”

A union official put it this way:

“I think that the role of the person holding the space is as important as the willingness of all the parties to come together. I think she’s highly skilled at being appropriately proportioned for both emotion and facts and, you know, I know she’s very personally and professionally invested in this working. And because that’s so apparent, I think that has a massive impact on why we and Aruma were willing to come to the party and then have stuck with it – because of her guidance and her very vulnerable and joyful participation.”

As a different manager explained, the involvement of DP Booth in the early workshops brought a “seriousness” to the new approach and emphasised the need to rethink traditional behaviours:

“I just thought it was great that she actually took the time out of her schedule to actually come to meet our delegates... and our staff and to show that interest in making sure that things were



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communicated. And she was there in person rather than just over video link. That was the big thing for me: people would see that we were serious about it and that the organisation really wanted to have that connection and have that positive relationship. With her coming along as well, that just reinforced that, which was good.”

An important part of DP Booth’s impact, explained by yet another manager, came from her perceived independence:

“As I attended some of the [very first] meetings with the Fair Work Commission..., I noticed that ... there was quite a little bit of tension in the room between the ... hierarchy of the unions and ... support manager.... But I think having Fair Work as the facilitator at those original meetings really helped to defuse any potential tensions, so that there were very clear guidelines set up and we worked through the whole process of how this collaboration would work. I found that really useful...”

Beyond those early events, the continuous involvement and availability of DP Booth throughout the 2014-2020 period was also considered vital. As one HR manager observed in 2020:

“The other thing that’s been the constant is DP Booth: she has been our sounding board that whole time and we’ve regrouped with her. When we did the restructure, she assisted us again. When we’re doing this restructure now, she’s assisted. Now they’re in the COVID-19 space, the conversations we’ve had with ASU/TSU [the previous week] involved Deputy President Booth ... And it’s not because we haven’t been able to talk, it’s kind of ‘let’s have someone else in the mix to help us make sure we’re on track’.”

Another manager recognised that DP Booth gave an:

“... immense amount of support. So she’s gone and run all these regional training sessions. She’s been available for when we need to touch base with having our whole group in, as we start a project and to give guidance. She gave all the support in the initial stages of setting up the relationship. She’s been available for occasional private conferencing if there’s been something that has come up that we need urgent, not advice, but sort of coaching through or looking at how we could set up a collaborative process. Even though she might not then be the one to be doing it all, because we kind of can do it ourselves now. We’ve been well trained in it. We know that she’s always there as someone that we can seek the assistance of if we do need it.”



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The union secretary summarised:

“I think it's been a really good thing to have a ‘case worker’, who’s a bit of a keeper of the relationship. I think that’s certainly what’s pulled us in to line, when we’ve got the wobbles... she’s been the counsellor along the way, and I think also, she’s incredibly fair and unbiased... I do think the consistency of having the same member... of the Commission assigned to you helps.”

### 3. Barriers to sustained cooperation

The success of collaboration at Aruma required the overcoming of barriers to collaboration in the early days and constant effort since. This section explores three main barriers, presented by three groups at Aruma who remain unconvinced about virtues of cooperation: namely, some middle managers, some union officials and some union delegates. After describing the challenges they pose and their links with broader structural issues, this section briefly outline how the challenges were overcome.

#### 3.1 Three key groups

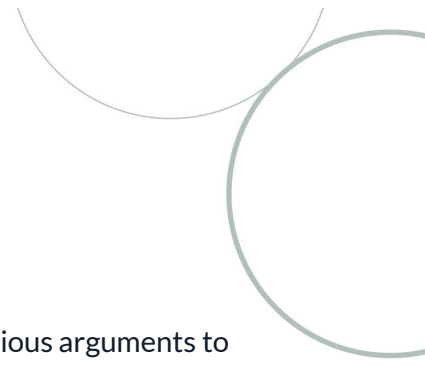
Middle managers were identified early in the Aruma transformation as potential sources of resistance to collaboration with the union. The union secretary, for example, acknowledged “regional pockets” of managers where there was some grumbling from managers who did not want to embrace the collaborative model. A senior HR manager also identified similar groups of managers who were not favourably inclined towards the union and disagreed with the collaborative model, mostly – she believed – because they saw it as threatening their resources:

“... our internal managers, particularly ... the regional general managers that look after our support services teams, I think sometimes they look at us in HR (myself and potentially my manager) as being too lenient with the union. I think that that still exists to an extent. But the things that [the union’s] asking for – like access to members, or paying for members to attend training or paying for members to attend delegate conferences – it’s a no-brainer for my manager and I. It’s great. Make it happen. But I think at times, our operational managers go, ‘oh great, that’s something else we’ve got to pay for’. So, it’s all about dollars. I don’t think it’s ever about cooperation... I get it, it’s okay – where do you get my money from? That can’t come out of the customers’ funds. The customers are not paying for the them to attend a union delegate workshop. I get it. I think it’s only ever boiled down to dollars.”





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Beyond the money to finance collaborative activities, middle managers used various arguments to oppose collaboration. One HR manager, for example, reported that she'd sometimes prefer not to consult with the union, expressing some sympathy with the managers she works with:

“Sometimes, some of our manager said, ‘Why do we have to talk to [the union]?’... I know that some of my managers feel that we shouldn’t have to do that. It’s our organisation, it’s our workplaces, and if a change is wanting to happen, then we should be able to do it. If it’s within the confines and the restrictions of the award, we should be able to do that without having to ask permission from the union to actually do it. That’s the way they see it, it’s like we’re asking permission from the union to make changes to our workplaces.”

Another argument identified by the same manager focuses on perceived delays in the implementation of change:

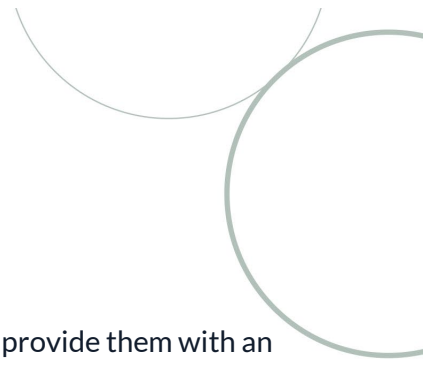
“Because we have to go through that process and it’s not a couple of weeks, it’s something that has to take time, and meetings have to happen, and to-ing and fro-ing, and taking some parts out, putting some parts in, looking at different scenarios. So, sometimes it can actually slow up change. We can’t be as responsive, sometimes, as we should be and we need to be because of that added level of consultation that has to take place.”

Unhappiness with the union and the collaborative process amongst these managers is also said to arise from unions intervening in relationships between managers and the workers who report to them. Some managers do not see why union representatives should be invited to team meetings to speak directly to workers – union members and non-members – without managers being present. Others have had little exposure to dealing with unions or bad experiences with unions in the past. Relatedly, another common concern is union members who prefer to take their concerns straight to their union representatives rather than discussing them with their managers first:

“So that the first time we hear of some sort of issue or problem, it is coming from a union [representative] speaking to us rather than that person. But that’s a trust thing and I think when people are fearful around things like what’s going to be happening to my job, what will this restructure look like, they perhaps have a decline in trust for people in management.”



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A final argument is that the ASU is not representative of managers and does not provide them with an effective voice in internal consultations (especially about restructuring) that have disproportionate implications for these managers. A line manager, for example, said:

“I'm not just saying that for me personally, but [also for the managers who report to me. They are the ones] ... who are the most affected by any changes ... they are the most vulnerable group. They are the group that are pivotal for this organisation, to keep our business going, and yet they're the ones that constantly feel let down.”

A second group who sometimes do not see the benefits of collaboration and represent a potential barrier to collaboration is some union delegates, especially those new to the role, because they sometimes believe they need to be aggressive to perform their role or because they are unused to the openness required to operate in interest-based processes. One union official put it in these terms:

“We have had a core group of delegates throughout, but through natural attrition or for personal and professional reasons, there's sometimes been changes or additions. ... It might seem [to them] upon first participation that everyone's in bed together... In the beginning, I thought it was really weird: I was like, 'am I your fucking consultant? No way!'. But now I understand the space that I can fill and how to talk about that.”

The third group comprises union officials from unions outside the collaborative partnership who do not share the ASU/TSU's support for the arrangements at Aruma. These unions (ie the Public Service Association (PSA) in NSW and the Community and Public Service Union (CPSU) in Victoria) have mostly come into Aruma as it has grown, especially by merger with established provider organisations. Both ASU officials and Aruma managers observed the different the attitudes and behaviours of officials of these unions and how they found these unions to be a threat to the collaborative arrangements at Aruma.

The CEO expressed his concerns in general terms, lamenting the difficulties of dealing with unions who are not versed in the collaborative ways:

“I think it's really frustrating now when we have to work with other unions who don't have the same willingness to problem-solve together, and for a whole lot of reasons which we would argue aren't necessarily in the best interests of, certainly the organisation, but their members as



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well. Their default is to the adversarial, 'You guys are bastards. We're going to do battle at all costs on all issues whenever possible' approach, is really dysfunctional and frustrating."

Other managers were more direct, characterising the other unions as "old school" and see their officials as suspicious of Aruma managers and aggressive in their approach towards them. These unions, Aruma managers observe, insist on very formal written exchanges and arms-length relationships.

An ASU official was also upset by being "wedged" between these other unions and Aruma. The ASU, she felt, was used to standing shoulder to shoulder with the broader union movement, but the disinclination of these other unions to accept the collaborative approach at Aruma made this traditional "solidarity" difficult to sustain:

"So I think the [Cooperative Workplaces] approach is going to be challenged by the fact that... additional parties that are being brought in when there's something already underway. It's not the same as starting from the beginning ..."

### **3.2 Links with broader structural barriers**

All three of the groups (ie middle managers, new ASU delegates and other unions), which in different ways are seen as barriers to collaboration, can be understood as manifestations of a larger structural barrier to collaboration. Without the long experience of trust-building and collaborative exchanges at Aruma, new participants tend to fall back on the adversarial attitudes and behaviours that dominate the wider Australian experience of work and employment relations.

Reflecting on managers external to Aruma, and those within Aruma who reject collaboration, a union official blamed it on "formal education" and "habits" built up through their experiences of work in Australia generally or the specific sectors from which those unions came:

"I think they're doing that because that's the classic Human Resources playbook that they're all taught. I think education is actually a really important thing. I think it needs to be looking at what are people - we need to be looking at what the standard Management 101 for Dummies textbook is saying about all of this. People in Human Resources, but also management. Like what are the CEO/executive MBA style courses that people are going off to do when they do their little week on management?"



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On habit, he said:

“I think some people just are taught that this is how Industrial Relations works. There is no other option. This is how it’s always worked. This is what you’ve got to do. It’s just framed adversarially. Unless you experience something else, it’s hard to contemplate it; that’s one thing. I think people don’t know enough about [Cooperative Workplaces] and how the [Fair Work] Commission can assist. So they wouldn’t even know that it’s an option for them, even if they were inclined to be someone trying something new or different, but wouldn’t know how to access it or what is it.”

### 3.3 Overcoming the barriers

Whatever the cause, both managers and union officials at Aruma see training and gradual inculcation into Aruma ways of doing things as the main “solutions” by which barriers to collaboration can be overcome. One manager expressed this in the following terms:

“It’s important... for our frontline managers that we continue to educate people on what is the interest-based bargaining approach. [There are also problems arising from] ... delegates rather than [union] organisers. It’s our employees who are representatives not understanding our relationship and what we’re trying to do and potentially coming in with an old school approach that’s making it difficult in some places for that relationship to work. Likewise, if we’ve got new managers who have started with us and they don’t understand the interest-based approach, they’re not used to dealing this way with the unions. We need to make sure we’re educating them that this is our organisational position; this is how we work with the unions. Because that’s another reason why it may come unstuck... it will come unstuck if we don’t continue to train people and educate and make people aware of our approach.”

The extent to which Aruma has been successful in overcoming these barriers to collaboration is also linked to the regularity, quality and spread of training. Aruma managers (through its Human Resources Department) and union officials have provided some of this training themselves. But the training delivered by the FWC through the early workshops in 2014-2016 period and the more recent “refreshers” have been attributed with special potency. As with other aspects of the FWC’s role, this comes not only from the content of the training programs themselves, but also from the fact that they have been delivered by what the parties see as a genuinely independent and respected third party.



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## 4. Conclusions

The long-standing collaborative relationships between Aruma managers and officials/delegates of the ASU/TSU began in 2014 as a joint attempt to avoid the costs of hostility manifest in a nasty industrial dispute the previous year. Cooperation expanded and deepened with the assistance of the FWC, especially DP Booth. After 2016, the parties essentially continued to work together by themselves, with only modest “maintenance” interventions from the Commission. As one participant put it, “the relationship has developed and evolved where we can kind of look after ourselves and get on pretty well. It’s very mature”.

The establishment of this type of collaboration is rare enough in Australia, but its subsequent growth and durability is unusual indeed. It is therefore important to understand the conditions under which it occurred. This has been the focus of Part 2 of the case study.

The explanation developed here focuses on a combination of factors that came together in mutually-reinforcing ways. Some of these factors were evident in the structural features of the two organisations and their broader environment. The nature of Aruma as an organisation and the services it provides to people with disabilities is one element. These arguably affected the attitudes and behaviours of the people who work for Aruma and who join the ASU/TSU, meaning that Aruma managers, workers and the ASU/TSU were more likely to embrace cooperation than their counterparts elsewhere. The uncertainties and imperatives of the unfolding NDIS can also be seen to create external challenges to both organisations, providing ample motivation to work together.

However, there was no guarantee that the parties at Aruma would respond to these imperatives in such a cooperative way. Moreover, there are many other similar organisations in the community services sector that have adopted very different – more traditionally adversarial – responses in the same circumstances. Indeed, these more structural types of explanation are more likely to favour adversarialism rather than cooperation.

So, the more plausible explanatory factors flow from the agency of the parties at Aruma. Here, an essential ingredient was the continuity of individual leaders committed to collaboration on both sides. These leaders not only worked together to establish collaboration in the early years, but they also embedded collaboration in the culture of the organisation, through formal structures and informal practices. Managers were especially important here because they had authority and access to



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resources. Aruma managers demonstrated repeatedly their commitment to collaboration with the ASU/TSU, through the messages they sent to managers and workers, the consultative structures they mandated, the training they delivered, and their approach to key management decisions, like the recruitment of senior managers.

Management, however, needed support from union leaders, both union officials and workplace union delegates. Many of the cooperative mechanisms could not be developed, and certainly could not be sustained, without reciprocity in values and behaviours. These were no accidents – they required constant re-production by senior leaders who insisted that union delegates and members conform to collaborative expectations. Happily, collaboration realised many mutual gains over the years, vindicating the collaborative approach, deepening trust between the parties. Managers and union officials would not have remained committed to the cooperative model if it did not produce outcomes of value to Aruma, its workers and their union.

Finally, both sides acknowledged the support they received from the FWC. The most direct and intensive interventions from DP Booth came in the early years, when she personally delivered many training workshops and advised managers and union officials on the structures and behaviours required if collaboration was to become effective. In later years, the Commission's intervention was less necessary, because the parties had learned how to deal with each other. However, her availability to repeat training workshops, to provide advice and to facilitate meetings in the rare occasions that disagreement threatened to escalate proved important in sustaining collaboration in the long term.