

# THE BARGAINING TOOLKIT

A RESOURCE MANUAL FOR SCHOOL DISTRICTS

MICHIGAN ASSOCIATION OF SCHOOL ADMINISTRATORS (MASA)  
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## BEST PRACTICES

Michigan school districts continue to face tough challenges in the administration of their overall benefit programs. As the state funding levels have decreased and benefit costs have increased, school districts have entered into tough labor negotiations. The associations representing the districts in Michigan have collected numerous “best practices” used by districts in the process of negotiating their bargaining agreements. The overall theme that resonated in the preparation of this toolkit was—the negotiations process is a long term investment of time and resources, but the pay-off comes when all individuals in the process are informed of the facts in making good short- and long-term decisions. In the interest of fair negotiations, the best opportunity a district has is to build a learning community, making individuals involved in the bargaining process aware of all the factors that affect the contract outcome. While each district is unique, the processes used and presented in this toolkit can be customized to each districts needs. One point worth noting, any negotiations process takes at least three to four years of advance preparation and communications to all involved parties. Constant communications of district progress will eliminate much of the “mistrust” factor. A process which includes collaboration will bring long term positive results. The best practices included in this section include information sharing, benchmarking, budget reviews and education, development of a scorecard, and the contract review process. A district may decide to use all or some of these tools in their bargaining process. The key is to incorporate some of these tools into the districts administrative and communications processes throughout the year. Trying to use them in the heat of negotiations is not going to be as effective as building them into the overall district administration.

## INFORMATION SHARING

Successful negotiations start with a collection of key information. It is important that all members involved in the negotiations process understand and communicate the relevant information necessary to create solid goals and objectives for the overall process. Often assumptions are made on the level of understanding individuals have regarding the information required to get a full understanding of the issues presented in the bargaining process. For example, if a person does not have a detailed understanding of the financial funding for the district, they may have a more difficult time understanding the timing and fund balances that are required. Districts should consider putting together easy to understand presentations for bargaining teams and the rest of the staff, so they have a full understanding of the financial picture.

It is critical to understand the school districts budget and reserves from a big picture perspective. While individual costs are negotiated, it is important to understand the trade-offs sometimes required. It is also critical to understand costs and the impact on a school districts ability to fund programs from both a short term and long term perspective. One example is health insurance. While an individual may understand the cost of health insurance, when those costs rise 18 percent a year for three years, the overall costs to the district are significant, meaning money has to be taken from some other fund or program.

The “best practices” districts collected and presented the following information to administrators, boards and general staff members within the districts.

1. Past and Current Budgets (generally three years worth of data)
2. Salary Totals (generally three years worth of data)
3. Benefit Costs and Trends (including forecasted and actual)
4. Per Pupil Expenditures (for their district—generally three years worth of data)

While this data provide districts with a baseline and history, it helps members understand how costs change over time. It is also helpful to collect other school district information to allow for comparisons to other peer school districts. (See the appendix for examples data and presentation options.)

## BENCHMARKING

The best line of offense is a great defense. As with any type of financial comparison, it is best to understand how you stack up to your competition. Some of this information can be collected through the fact finding process, or there are a number of sources you can collect information from.

1. MICHIGAN DEPARTMENT OF EDUCATION <http://www.michigan.gov/mde>
2. NATIONAL EDUCATION DEPARTMENT (salary information)
3. CITIZENS RESEARCH COUNCIL <http://www.crcmich.org/>
4. KAISER FOUNDATION (for health care cost comparisons) <http://www.kff.org/>
5. ACTUARIAL FIRMS (trend information)
6. BUREAU OF ECONOMIC ANALYSIS (trend and salary information) <http://www.bea.gov/http://www.bea.gov/region/data.htm>
7. STANDARD & POOR’S SCHOOL EVALUATION SERVICE (SES) (trend information) <http://www.schoolmatters.com>
8. U.S. GOVERNMENT INFORMATION <http://dol.gov/olms/public>  
Within the Public Disclosure Room go to the LM2 Report which will provide information on salary information—use as a defensive strategy

9. Michigan Association of School Boards Employment Relations Information Network (ERIN)  
<http://www.masb.org/page.cfm/8>

By conducting benchmarking analysis for your school district, it helps to provide better opportunities for bargaining strategies. If your districts health care costs are 20 percent above the benchmark districts, it may provide you with the opportunity to focus on health care costs. If salary costs are significantly higher, by understanding and using facts to focus on the issue, the bargaining process becomes stronger.

### **BUDGET INFORMATION AND PRIORITY**

One of the most critical pieces of information for members of the district to understand is the current and future budget projections. Once members see the budget and understand the funding sources, it becomes a matter of how the district makes the most of the money they receive in funding. In terms of the negotiations strategy and how it is developed, members must first understand the overall financing for the district. It is often difficult for non-financial types to understand the budgeting process, so the best bet is to provide summary data with highlighted sections that impact the negotiations process (salary and benefits are the primary drivers). Since retirement has to be funded, it should be presented so members are not missing some of the critical funding issues.

Remember the note we made earlier in this section. It is best to communicate this budget information on a routine basis within the district so members become familiar with it and also understand when unpredictable budget impacts occur. (Health care trends projected at 18 percent actually hit 24 percent, thus using more money in the budget.)

### **SCORECARD (PERFORMANCE BASED ON KEY INDICATORS)**

In this time of information overload, it is often best to create a scorecard for use by your district. This scorecard can generally be prepared by the financial manager and incorporates the items used to judge your districts performance. If you have established measurable goals for the district, they should be included in this scorecard. The scorecard could be presented annually, bi-annually or quarterly at district meetings. It presents the overall performance based on measurable goals. The important part of this tool is the ability to communicate consistently and timely. In a way, it is like giving the district an overall report card. It is best to keep the scorecard to one page with simple graphics so a person does not have to work hard at understanding the information and what it means. Some of the factors important for inclusion are the following:

1. Annual budget projections/Actual budget results
2. Projected time off/Actual time off (teachers and students)
3. Projected number of students/Actual number of students
4. Projected testing scores/Actual testing scores

This scorecard could become a part of board meetings as a way of keeping the board up-to-date on current progress. It should be kept up-to-date and change based on new goals and objectives. It might be helpful to seek input on key measurements based on some of the goals and objectives you define through the bargaining process.

A very good option for starting a scorecard process is with Solbourne, K-12 School District Solutions: District Intelligence and District Scorecard. The link to this information is listed below and the additional information can be found in the appendix.

[http://www.solbourne.com/about/corpMatPDF/K12\\_bis.pdf](http://www.solbourne.com/about/corpMatPDF/K12_bis.pdf)

### **CONTRACT REVIEW AND SUMMARY**

It is important to provide all members of the district with a summary of the current contract prior to beginning the bargaining process. Once again, it is critical to get the information in summary form that can be understood by non-contract specialists. The best practice process of holding contract review sessions is the most valuable for both board members and bargaining team members. Don't assume everyone fully understands the contract and the provisions within it. It is often best to start from the same knowledge level. Misunderstandings often happen in the bargaining process because of an individual's misinterpretation of the current contract. It may have been just that, a misinterpretation. In the process of defining issues, make sure the contract provisions are clearly understood by all parties as a starting point. Both parties will bring to the table issues that have come about as a result of the contracts lack of clarity or flexibility.

Maintain an up-to-date summary of the contract so that issues may be noted as the contract progresses. It is also helpful to get copies of other school district contracts to compare language and terms. While each contract is unique, most of the terms contain the same topic provisions. By reviewing and understanding your districts contract in advance of bargaining, it helps prepare those items causing some difficulty throughout the contract period.

One helpful tip to follow is to format the current contract into a chart and maintain changes within the chart. A column should be added to identify changes/agreements by the parties. This becomes the basic document for tracking and updating the new contract. It will also make for easier drafting of the new contract language. Remember those that control the documentation, control the process.

## PRE-BARGAINING

The pre-bargaining process is the most important work your district will do. It can aid in members understanding of the process as a whole and what issues they should be prepared to address if presented with possible challenges. It will also assist in providing a more successful negotiation process. As with any task you perform, preparation and full understanding of the issues are critical to success. Within this section, we cover the following topics, understanding the bargaining process and the dynamics that follow, the importance of data collection, understanding union dynamics and the development of team roles and targeting objectives and results. The information includes articles and presentations used in training administrators and union representatives. It is not different based on which side of the table you sit on. While some people have negotiated contracts before, it is important to refresh the understanding you have prior to going into negotiations. MASB also provides an excellent resource through the **Board of Education and the Collective Bargaining Process, A Practical Guide to Negotiations.**

## UNDERSTANDING THE BARGAINING PROCESS

School district labor relations are more than direct face-to-face bargaining at the negotiations table. It is a continuous process affecting administrative and policy decisions throughout the school year. School district labor relations should be viewed as a cyclical process that includes four interrelated phases.

1. The negotiations preparation phase includes an array of activities. By way of illustration, this phase would include a review of prior negotiation files; grievance files; surveying board members and administrators regarding area in need of change in the contract; collecting labor market data; developing internal economic data; designating the negotiations team; outlining a public relations and strike contingency plan; and establishing parameters. It is generally recommended that these activities be concluded by April 1 during a negotiations year. While the majority of these activities are administrative functions, the board plays a critical role in these activities.
2. The face-to-face negotiations phase includes discussions which transpire with the union both at and away from the table. Since nearly all school contracts in Michigan expire in June or August, this phase will typically encompass a time period commencing in May and ending in early September.
3. If the union and board are unable to reach settlement as a result of face-to-face negotiations, the law requires the parties to utilize impasse resolution procedures. This process includes the assistance of a state labor mediator.
  - Mediation is an informal process in which the mediator explores areas of resolution of disputed issues with the parties.
  - If the parties are unable to reach agreement through mediation, the law provides for implementation of a fact-finding process. A fact finder assigned under the procedures and rules of the Michigan Employment Relations Commission (MERC) will conduct a hearing to hear testimony and receive evidence on all unresolved issues and submit an advisory report for resolution of the disputed issues. Whether through face-to-face negotiations or impasse procedures, settlement will eventually be reached.
4. The final and equally important phase is administration of the collective bargaining agreement. The contract administration phase is the ongoing implementation of the negotiated settlement by the district's administrative team.

These phases are highly interrelated and will dictate in large part how successful the school board and administration will be in the succeeding phase. Four statements generally illustrate this interrelationship:

- First, poor preparation weakens one's position during face-to-face negotiations;
- Second, errors at the bargaining table and during impasse decrease the likelihood of settlement on terms acceptable to the school board, and increase the probability of labor unrest;
- Third, mistakes, ambiguities and omissions in negotiated contract language make the period of contract administration much more difficult;
- Finally, improper grievance handling and arbitration losses weaken the board's position when entering the next round of negotiations.

## **DYNAMICS OF THE BARGAINING PROCESS: THE INTERPLAY OF COMPETITIVE AND COOPERATIVE ISSUES**

Bargaining has long been viewed as an adversarial process by which two opposing parties confer relative to the distribution of limited resources, primarily money and work time. Competitive issues establish the basic framework around which the adversarial phenomenon is built.

Attempts to focus more on the public cries for better education have led some bargaining teams to meet in a more collaborative fashion. Bargaining styles now include such titles as win-win, target specific, expedited and mutual gains. Success with any style requires trust and commitment.

The money the school board conveys to its employees in the form of salary increases or fringe benefit improvements detracts from the funds the board has available to purchase textbooks, audio-visual and sports equipment, to hire new employees or to expand programs. The paid time-off board grants to employees, be it personal leave days or sick leave, translates to less overall work time from those employees. Thus, balancing limited resources against the demands of employees and unions provides the framework for defining competitive issues.

Competitive issues typically include salary, insurance, paid leaves of absence, preparation periods, duty-free lunch periods, length of the work year, length of the workday and class size.

Cooperative issues include, by way of illustration, evaluation procedures and procedures for filling vacancies, transfer procedures, layoff/recall provisions and tuition reimbursement.

Cooperative issues tend to have operational or educational impact rather than a financial impact. However, elements of discussion on cooperative issues can become commingled with competitive issues. For example, a union demand to limit the district's ability to lay-off staff in the face of excessive wage demands clearly sets a competing course.

The board's negotiating team must enter negotiations with all board members and administrators sharing common and clearly state objectives.

## **THE INFLUENCE OF INTERNAL BARGAINING**

An important aspect of the negotiations process occurs primarily away from the bargaining table. "Internal bargaining" describes the bargaining which occurs separately among the board members, administrators, union members and the union.

Individual board members have different interests and objectives. Some board members may believe that the voters elected them specifically "to hold the line on taxes" or perhaps "to cut teacher salaries." At the other end of the spectrum are board members so committed to the quality and continuity of the educational program that they believe settlement should be achieved at any cost without perhaps fully appreciating the short- and long-term financial impact on the district.

The district's administrators frequently have their own interest and agendas. Some may strongly dislike contract language restricting their discretion regarding building and program operations and are thus likely to press the board to concur with the need for changes in contract language. Other administrators may desire teachers to perform more committee work after school, while others may want to limit the extent of teacher union-administration consultation contractually required as a prerequisite to administrative decision-making.

Each district will thus have its own set of conflicting and competing internal interests, affected by the personalities and backgrounds of board members and administrators. The board must reconcile these diverse interests and consensus on the district's bargaining goals and parameters. The board's negotiating team must enter negotiation with all board members and administrators sharing common and clearly stated objectives.

Internal bargaining is even more apparent on the union side of the negotiating table. The union membership is not a homogeneous group. It is made up of individuals with special and sometimes conflicting interests. Furthermore, elected union officers and field staff from parent labor organizations certainly have their own goals and priorities.

Factions or special interest groups do exist in nearly all teachers' unions. For example, older and younger teachers frequently have contrary positions on the distribution of moves on the salary schedule, and on the desirability of improving salaries at the expense of additional benefits, such as health insurance or sick leave benefit improvements. Further, tenured and no tenured teachers may have opposing positions concerning the connection between higher salaries and the order in which layoffs should transpire. As a final example, special education teachers are likely to have less concern over class size than general education teachers due to case load and/or class size restrictions established by the state.

Union leadership is responsible for balancing these varied and sometimes opposing viewpoints and may commence negotiations with demands which reflect the interests of all its members. "Internal union bargaining" most frequently occurs during the preparation phase for negotiations and continues throughout the bargaining process. It will be an integral factor in fashioning a final package which the leadership will support and the membership will approve.

## **THE SIGNIFICANCE OF ATTITUDINAL BARGAINING**

The final aspect of collective negotiations reflects each side's perceptions of itself. "Attitudinal bargaining" does not concern particular demands or concessions, but rather deals with the relationship between two parties during and after negotiations as well as the perceptions each has of the other. Both the union and the school board want to be perceived as the legitimate representatives of their constituent's interests.

The union wants to establish itself as a partner in the operations of the school district, at least regarding terms and conditions of employment, and frequently regarding educational policy. It also wants to achieve a reasonable level of wage and benefit improvements.

The school board seeks to maintain its image as the leader in delivery of educational services as well as in fiscal responsibility. Moreover, each side hopes to establish during the bargaining process that it can be strong, unified and willing to take all necessary steps to properly represent its constituents' interests.

Attitudinal bargaining thus influences how the parties conduct themselves at the bargaining table, in public statements and in other actions taken during negotiations, such as the union's filing of unfair labor practice charges or the board's announcing a strike contingency plan. This phenomenon also tends to explain much of the public posturing and other negotiation tactics prevalent in school negotiations.

## THE PRACTICAL IMPACT OF THE NEGOTIATIONS PROCESS

Negotiating is not merely the art of give-and-take, but rather it involves the interaction between individual, organizational and group goals and behaviors. These goals and behaviors may be overt and recognizable. More often than not, however, they are very subtle, and easily overlooked, yet they have a dramatic impact on the course and outcome of negotiations. The interaction of the goals and behaviors has evolved into several important historical realities.

Collective bargaining tends to have a leveling effect. It's the all-for-one and one-for-all concept that tends toward uniform treatment of all staff members, for example, regardless of individual differences in performance. Most school managers believe this leveling effect results in mediocrity. Perhaps it does, as there tends to be a loss of individuality, creativity and initiative. In fact, some creativity may arguably be redirected from the classroom to union activities.

Individual teacher needs are replaced by group or union needs. This concept becomes evident as discussions in negotiations focus on agency shop, dues deductions and seniority clauses in collective bargaining. Negotiations are further complicated by the realities of local, regional, state and national union goals.

Bargaining statewide tends to equalize differences among districts. Due to the coordinated effort of organized labor at the national and state levels, great similarities in the pattern of pay increases and fringe benefit packages have become prevalent. Unions have, in fact, established statewide goals for all local bargaining units.

Bargaining requires sophistication and skill. Negotiations is not something that the board can enter into solely with the best interests of the district at heart, but rather the board must have a complete understanding of the process. This requires study, preparation and technical expertise.

Unions thrive on emotions. Union strategy frequently is to create issues to build member and community support. For example, the union may propose lower class size based on a claim that it is educationally sound policy and will increase teacher effectiveness and job security. Support for the union by its membership is frequently built through these perceptions of dependence on the union to gain employee right and benefits.

Most negotiating continues to be adversarial. It involves a power struggle in which the board must balance ever-increasing union demands against the ever-increasing financial resources of the district.

Finally, the power of public persuasion has become a critical component in public sector bargaining. Boards of education are elected officials. Maintaining support with leaders within the community is an essential element in the balance of power at the table as well as political survival.

## DATA COLLECTION

Part of the pre-bargaining activity includes a data collection and review process. The list below outlines the key issues to be collected during this phase:

- Prepare current staffing matrix—develop a scatter gram using current salary information and place all staff on the chart.
- Prepare a summary of insurance coverage—determine the number of staff covered by each policy, the total annual cost of that coverage and the annual cost to the district.
- Determine the cost of the current agreement.

- Review current health insurance benefits
  - > Review current coverage and the other coverage options available to the district.
  - > Determine if the district has an insurance cap and what the impact would be if it is changed.
  - > Look at alternatives to all related changes and get the pricing data so you can model impacts as you discuss alternatives.

Gather information/data regarding salaries and benefits for districts your size and in your geographic area.

## COMPARE YOUR SAMPLE DATA WITH OTHERS

How do you compare?

Where are you weak?

Where are you strong?

Are you playing catch up or can you hold the line?

## LOOK AT OTHER FACTORS (CPI, ECONOMY, BENEFIT TRENDS)

What is CPI doing?

What is the current economic situation in your community?

What are the other districts in the state and in your area doing?

What is happening with benefit increases in general?

## LOOK AT INTERNAL ISSUES (RECRUITMENT, RETENTION)

How successful are you in attracting and retaining qualified staff?

What is your turnover rate?

Review exit interviews to see if there are issues you can address in bargaining.

Are you experiencing significant numbers of retirements?

## FUNDING ISSUES

Are you an increasing or declining enrollment district?

Is your enrollment static?

Where is the district's teacher experience factor in comparison to state average?

Have you been eating into your reserves?

## OTHER ISSUES

What is the impact of increased/decreased professional development?

Don't forget extra duty contracts, cost of class coverage, supervision, etc.

Do you have a mentor teacher program? What is the cost?

## NOW YOU HAVE THE DATA, WHAT DO YOU DO?

## ONCE YOU HAVE COMPILED THE RESULTS OF THIS DATA, YOU CAN ESTABLISH YOUR GOALS FOR BARGAINING.

What do you want to accomplish?

What are your financial resources?

What is your financial strategy going forward?

## TEAM DEVELOPMENT AND ROLES

One of the most important parts of the pre-bargaining process is the selection and assignment of the bargaining team members. Below are a few thoughts as you embark on this critical path.

### GETTING STARTED

Gather input into the selection of the team. Ask the superintendent, central office administration, principals, other supervisory staff and the community.

### SELECTING THE CHIEF NEGOTIATOR

Consider the relative merit of a chief negotiator from "within." A chief negotiator from within will be more familiar to the union's team and will have a more thorough knowledge of the district.

Consider an "outside" chief negotiator. They may be more skilled in the bargaining process and may help preserve good relationships between those within the district.

Look for a chief negotiator with certain knowledge, experience, skills and personal characteristics. They should have experience in employee relations, bargaining, mediation and fact finding.

### THEY SHOULD POSSESS STRONG SKILLS IN THE FOLLOWING AREAS

- Communications
- Organization
- Listening
- Problem analysis
- Problem solving
- Power of persuasion

### THEY SHOULD POSSESS THE FOLLOWING PERSONAL CHARACTERISTICS

- Honesty
- Integrity
- Patience
- Tolerance
- Consistency
- Sense of humor

### SELECTING THE BARGAINING TEAM

The questions and factors to be considered when selecting the team are:

- Should the superintendent be a member of the team?
- Should board of education members be on the bargaining team?

## THE FACTORS TO CONSIDER INCLUDE

- Familiarity
- Trust
- Balance
- Knowledge of issues
- Skills and characteristics
- Ability and desire to make time commitment

### SETTING GOALS AND PARAMETERS

In setting the goals and parameters, you should consider the answers to these factors:

1. Give careful consideration to the financial health of the district.
2. Consider the impact of particular salary increases and projected health insurance increases.
3. Consider other areas of the contract with financial implications.
4. Consider recent issues that may need to be resolved contractually.
5. Consider input gathered from the superintendent, other administrators and the community.
6. Consider the benefits of contract analysis.

Meet with the board's chief negotiator in executive session when setting goals and parameters. Be sure there is a common understanding.

## VERY IMPORTANT TO REMEMBER

The goals and parameters set by the board of education should be broad enough to provide the board's chief negotiator with sufficient flexibility.

### CHOOSE THE BARGAINING MODEL

Conceptually, there are two bargaining models:

- Traditional/Adversarial model
- Collaborative model

## THE BARGAINING PROCESS

The bargaining process is where the rubber hits the road. All the preparation is of value, but when your district sits down at the table, it can change by the minute. The process has to be well thought out and organized in the approach. If you have communicated information throughout the previous contract period, the financials and results are clearly laid out. It is important through the process to use projections going out three years so there are no surprises on the effect of compounding increases. Remember while engaged in the bargaining process, nothing should become personal. The facts should drive the discussions. While emotions often run high, if the process is understood and communications are ongoing, it goes a long way for making things run a bit smoother. In this section, we will cover the following topics; the players and the process, conflict management, the role of the school board, pressure tactics sometimes used and communications planning for both internal and external audiences. While everyone wants easy negotiations, there are too many dynamics that enter into the mix to fully predict the outcome. Best practices have proven, preparation and planning have a lot to do with successful outcomes.

## THE PLANNING IS DONE, NOW THE BARGAINING BEGINS

- Union proposal—ask the union to identify the specific areas of their proposal that include new or modified language or provisions. You will also want to do your own cost estimates of the union proposal.
- Cost all items—be sure to identify all cost items including salaries and associated payroll costs, insurance benefits, retirement benefits, paid leaves, extra duty contracts and tuition reimbursement.
- Projections three years out—don't stop with costing year one of a proposal. Roll your projections and estimate the cost of proposal in subsequent years. You may be able to afford the contract provisions in year one, but not years two and three.
- Other considerations (HSA's and TSA's) .
- Payroll schedule—what are the scheduled payroll dates.
- Tuition reimbursement—look at what your annual cost is plus who controls and determines how funds are allocated.
- Salary averaging—do you allow your classified employees to be paid based upon their estimated annual average salary?
- Early retirement incentive programs— estimate current and future costs.
- Professional development—estimate for costs including travel and substitutes.
- Leaves of absence.
- Class size.
- Instructional hours.

## CONFLICT MANAGEMENT

### COLLECTIVE BARGAINING IS STRESSFUL. WHY?

- Never enough money to spend
- Little control over external factors
- Uncertainty of funding stability
- Adversarial relationship with employees
- Labor generally costs 80 percent or more of total cost
- Community emotion
- Complex legal procedures
- Risk of unfair labor practices
- Risk of adverse publicity
- Additional time commitment

### MANAGE THE STRESS THROUGH KNOWLEDGE, PREPARATION AND LEADERSHIP

- Knowledge
- Attend collective bargaining training
- Meet with superintendent and lawyer for Q&A session
- Review anticipated revenue and expenses with business manager
- Review board policy
- Review previous contract documentation

## PREPARATION

- Determine board's role
- Determine superintendent's role
- Adopt or review your communications policies
- Adopt collective bargaining goals
- Appoint the bargaining team
- Set economic parameters for bargaining team
- Deliberate in executive session when bargaining representative is present

## SUPERINTENDENT'S ROLE

- Member of the bargaining team?
- Advisor to the bargaining team?
- Collects data for bargaining team and reports to board
- Must respect confidentiality of negotiations

## COMMUNICATIONS POLICY

- Appoint a district spokesperson
- Speak with one voice
- Determine frequency and content of communications
- Advise media of your policies

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## ADOPT BARGAINING GOALS

- Should be consistent with district's mission, vision and goals
- Determine bargaining approach
- District is "equal" to the union
- Final contract should benefit the students in the district

## RECOGNIZE UNION'S ROLES

- Improve wages, benefits and working conditions for local unit
- Endorse and implement bargaining goals set by state and national affiliates
- Bargain for and work behind the scenes for local unit
- Advise local unit on language, economics and strategies

## BOARD'S LEADERSHIP ROLE

- Monitor contract negotiations and continue to provide policy direction throughout the process
- Provide leadership if there is an impasse or strike
- Vote on acceptance of the contract
- Monitor administration of the contract and plan for future negotiations

## ROLE OF THE SCHOOL BOARD

The importance of advanced planning and preparation in negotiations cannot be overstated. Further, the need for the board to function as a cohesive unit is equally crucial. Absent advanced planning, extensive preparation and solidarity, it will be difficult at best, to consistently accomplish the board's objectives in negotiations.

Each board of education, as a policy setter, must serve as a catalyst in the negotiations process. In examining the board role, three primary aspects should be emphasized. First is the role of the board as a whole. Second is the role played by individual school board members. Third, and frequently understated, is the role school boards collectively serve in relationship to negotiations on a statewide basis.

## THE BOARD AS A WHOLE

In relationship to the collective bargaining process, the board as a whole serves several primary functions. These include:

- Attaining a fundamental understanding of its legal obligations as well as the dynamics of the negotiations process.
- Developing an understanding of the school board's role; establishing goals and parameters; designating the board's negotiations team; overseeing the administrative preparation process.
- Ultimately ratifying the terms of the agreement reached by the negotiations team.

## SETTING NEGOTIATIONS GOALS

A key consideration is the establishment of short- and long-term goals. Historically in Michigan, approximately 20 percent of school board member's statewide change annually through the elections process. Given this constant transition, a district should establish both a short- and long-term negotiations goals as a means of providing guidance to the board's bargaining team and a sense of organizational direction for future boards.

Furthermore, goals send a clear signal of organizational commitment and direction. Since approximately 75 to 85 percent of typical school district's operating budget is attributable to labor costs, the short and long-term direction that goals provide becomes significant.

In establishing goals for negotiations, the process is essentially the same as with other goal-setting endeavors of the board. These goals need to be specific, concise, reasonably attainable and consistent with the mission of the school district and, as necessary, set forth a timetable for completion. For example, a long-term goal statement might indicate that financial settlements will not result in expenditure of the district's general fund equity below a designated point.

## OVERSIGHT RESPONSIBILITIES

The board's role also includes oversight responsibilities of the administration's preparation efforts.

Preparation is an extensive process which, as previously discussed, positively influences negotiations and serves as an informative based on which the board develops parameters for the negotiations team. Typical of the information to be compiled and reviewed are prior bargaining files, grievance records, analysis of the current contract, soliciting input on needed changes from board members and administrators, establishing an internal and external communications plan, outlining a strike

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contingency plan, compiling costing and job market data, developing employee leave day profiles, and submitting recommendations regarding composition of the board's negotiations team.

#### DIRECTING THE BOARD TEAM

It is imperative that the board team recognize with absolute clarity the limits within which it is empowered by the board to reach tentative agreement. Stated simply, the team has the authority to reach only tentative agreement on behalf of the board. Final ratification for the tentative agreement rests with the board. The negotiating team should always be certain how far the board is willing to go in any particular area and should remain within these parameters. If the parameters are not sufficient, it is the team's responsibility to return to the board for further discussion.

The team should not be placed in the position of reaching an agreement at the negotiation table, taking it back to the board, only to have it rejected. It will very quickly lose the status it needs to function effectively. The team should always fully understand in advance what will be acceptable to the board. Understanding what is acceptable is the direct function of clearly established board parameters.

#### ESTABLISHING PARAMETERS

But "knowing what is going to be acceptable" comes only after a series of complex questions are posed and conclusively answered. For example, what is the cost of providing an education for the children of the district? How does the board determine the division of money within the budget? How does the district compare in terms of wages and fringe benefits (etc...) with other employers within the labor market? What do the revenue projections indicate regarding the future financial solubility of the district? These are but a few in a potentially lengthy series of questions which the team should have resolved with the board prior to entering negotiations.

Parameters may be divided into two categories, the first being economic and the second non-economic. In terms of parameters, the board has an important role in establishing both. Economic parameters cover all areas that have a financial impact on the final agreement. Typical examples include salary, extra duty pay, insurance, benefits and leave day provisions. With limited exceptions, it is recommended that economic parameters be issued in terms of total dollars to be allocated in the financial package thus leaving the negotiations team with sufficient flexibility to fashion an agreement within the framework of the overall parameters. By way of illustration, an exception would include, clear direction to the negotiations team that the expenditure of any funds on insurance benefit improvements is unacceptable.

The board also has a role in establishing global parameters in non-economic areas. Non-economic areas tend to have an operational or educational impact as opposed to financial. Examples would include evaluation procedures, work schedules, grievance and union rights provisions. If, for example, the current contract contains no agency shop provisions, the boards must clearly indicate to the team that agreement on an agency shop provision is outside their authority and unacceptable in any form.

While the administration will typically issue a recommendation relative to the composition of the board's negotiations team, the board does have a defined responsibility to approve the recommendation of chief negotiator and team members as well as to convey to the team the authority to reach tentative agreement within established parameters.

#### DESIGNATING A TEAM

Since the negotiations team will be composed of more than one person, the board must decide what cross-section of representation should be included. While the job titles of members is relatively unimportant, a number of factors do impact the selection process. Are they flexible? Are they articulate? Can they accept and accurately portray the viewpoint of the board? Do they have the requisite knowledge and expertise? Do they have the confidence of the board? These are all important factors to keep in mind.

Keep in mind a few fundamental principles when designating the board's team members. The primary rule is that each team member must be appointed based upon specific functional expertise he/she can contribute to the process. By way of illustration, a chief negotiator should have an in-depth understanding of the Public Employment Act and other related statutes, skills in drafting contract language, an understanding of the principles of contract administration, team building skills, as well as strong verbal and written skills.

Other members of the team will vary depending on the classifications of employees within bargaining units. For example, in the instance of a teachers' bargaining unit, representation by principals would be essential for their expertise regarding day-to-day operations within the building.

#### PRESSURE TACTICS

The types of pressure tactics utilized by organized labor vary greatly from district to district but can, nonetheless, be categorized into one of three stages:

- Stage One: The "softening-up" stage typically begins before formal negotiations at the table begin. Typically, tactics include an increase in the number of grievances, letters to the union membership indicating their wage ranking in the job market near the bottom within the area, or even a letter requesting negotiations commence early due to the number of "serious issues" needing to be addressed.
- Stage Two: The "near-impasse" stage begins as positions on key issues are clearly defined and solidified. Frequently employed strategies include union news releases indicating the board's team is stalling, attacks on the integrity and competency of the board's negotiating team, rumors and half-truths spread among union membership to leverage support for the union's bargaining team, direct pleas to individual board members, phone calls to key people and groups within the community, mass attendance at board meetings, or the filing of unfair labor practice charges.
- Stage Three: The "give-in-or-else" stage used to begin with the threat of or actual initiation of a strike. Strikes have all but been eliminated by PA II2. They have always been illegal, but now participants suffer financial penalties. This has not, however, prevented the pressure of Stage Two from being increased at this point.

Regardless of the nature or severity of tactics employed, there is one common denominator. Such tactics are clearly intended to bring political and psychological pressure on the board and its bargaining team to change positions on key issues.

Just as the nature and severity of tactics will vary from district to district, reactions by the board and administration should vary. The type of response is influenced by many factors, including solidarity among the board members and administration, community perceptions of the board and administration, composition and orientation of the community, and the issues in dispute at the bargaining table.

## BOARD STRATEGIES

Three general principles provide the fundamental framework for the board's response to union pressure tactics:

- First, do not allow the union's bargaining team or members of the bargaining unit to circumvent the board's negotiating team by coming directly to the board or to individual board members. The board's team should have clearly defined and predetermined guidelines within which the team is free to reach tentative agreement. The team's credibility and effectiveness will be undermined unless the union and its members are redirected to the bargaining process.
- Second, avoid being trapped into open public discussion of negotiations at a board meeting. Particularly during the "near impasse" and "give-in-or-else" stages, the audience tends to be composed of union members and other union supporters. Contradictory statements made by individual board members may be perceived as an indication that the board is divided or that its position is weak and vulnerable. This principle clearly emphasizes the need to display a unified front and to save disagreements for closed sessions of the board.
- The final principle is to establish a defined system for internal and external communications. Behind the scenes attempts by organized labor to confuse or distort issues can be effectively countered only through a well-designed communication system.

## COMMUNICATIONS PLANNING (EXTERNAL AND INTERNAL)

### THE PUBLIC RELATIONS AND COMMUNICATIONS PLAN

Public relations is "a planned and systematic management function designed to help improve the programs and services of an educational organization. It relies on a comprehensive, two-way communications process involving both internal and external publics, with a goal of stimulating better understanding of the role, objectives, accomplishments and needs of the organization."

In addition, some say that "educational public relations assists in interpreting public attitudes, identifies and helps shape policies and procedures in the public interest, and carries on involvement and informational activities which earn public understanding and acceptance."

### STRATEGY

Communications and public relations activities about negotiations should be viewed as a mandatory, ongoing component of the district's overall public relations plan. The fundamental purpose of a communications plan as a tool in negotiations is to keep the union in check by building a credible base upon which public support can be maintained for the board.

In particular, the negotiations communications plan need to reflect both internal and external communications. The internal communications network refers to the channeling of communications between the bargaining team, administration and the board of education. The primary source of external communications is the news release. Other sources include cable television, letters to employees updating them on the board's positions, newspaper advertisements and telephone hotlines to name a few. News releases, like many other resources, reach many audiences, including voters, businesses, various media sources and employees of the district.

To offset the positive influence of an effective external negotiations plan, it is not uncommon for union to seek agreement on a negotiations ground rule requiring a news "black-out." The primary goal in attaining a "black-out" is to decrease the potential for community support of the board's positions and to further regulate the flow of information to the union membership. Information presented by

the union to its members throughout the course of negotiations will be highly regulated as a means of maintaining member support.

Decisions issued under the Public Employment Relations Act provide some positive guidance with respect to news releases:

- First, neither party can insist upon a press "black-out" for negotiations as a precondition to bargaining. Ground rules have been found by the Michigan Employment Relations Commission as a permissive topic of bargaining. As such, the issue as a topic of discussion is permissive and not obligatory.
- Second, news releases may be issued and can contain references to proposals by either party, provided that the proposals accurately reflect the positions of the parties at the negotiations table. Informal discussions may not be communicated. Again, only formal, on the record, positions can be disseminated.
- Finally, there is no prohibition against communicating directly with employees within the bargaining unit by letter or other means relative to the substance of the board's formal position at the bargaining table.

### TIMING

The external communications plan during negotiation years needs to be implemented well in advance of the potentially high-pressure bargaining period of August. As early as March, a general release should be issued which indicates the board will be negotiating with the named education association, the date the contract expires, the number of teachers employed and other pertinent background information. By and large, the public understands the importance of teacher negotiations. Consequently, they must receive early notice that the district faces a major undertaking.

As negotiations begin and the schedule of bargaining sessions becomes more frequent, the number, frequency and content of releases in general will change. It is normally recommended for example that an overview of progress and general statement on remaining issues be made not later than the end of June. In the early part of August, as key issues solidify at the table, the major emphasis of the releases should begin to focus on these areas.

Clearly identifying the issues and the impact each has on the district will become a cornerstone to maintaining public support. By way of illustration, a frequently pursued teacher union proposal is to reduce class sizes. The board's release should clearly identify class size as a major issue. The issue should, however, be focused on its potentially adverse economic impact in relationship to staffing levels rather than to debating its effect on student achievement.

As with other areas in the negotiations process, there are several guiding principles in issuing news releases:

- First, news releases should always originate from a single source. At the core of every effective communications plan is an individual, typically the superintendent or another individual close to the negotiations process, who is recognized as a leader and credible source within the community.
- Second, the spokesperson should assume responsibility for identifying media sources with broad-based distribution most favorably disposed historically to the district's programs and efforts as well as the media sources' deadlines. During critical negotiations periods it becomes essential to facilitate rapid distribution of information throughout the community. Those media sources with short turnaround time which are inclined toward little or no

alteration in releases will be the most important resources in getting the news to the community.

- Third, news releases should be issued in writing and are best when limited to one page. The written release should generally be issued to all media contacts and should clearly identify the designated spokesperson by name, title and phone number for further contact.
- Fourth, news releases should be phrased in a positive tone. Simply state the key issues in dispute and describe the operational, educational and economic implications of the proposals so the community can fully understand the importance of each issue. Refrain from openly criticizing the union's positions in a confrontational fashion. Build the district's case with facts that will lead the reader to logical conclusions concerning the board's and union's respective positions.
- Finally, remember that news releases can be disseminated to the community in a variety of ways. While newspapers tend to be a primary target, don't underestimate the influence of television or radio news. Consider utilizing the district's cable television station, establishing a telephone hotline, or postings on the district's World Wide Web home page.

Building the public trust requires open and accurate communications. The board that ignores the power of public persuasion in the negotiations process may do so to its own detriment. The negotiations communications plan is a natural component of the overall public relations effort of the district. Building the board's credibility is a critical element in maintaining long-range community support.

## COMMUNICATIONS ARE A "MUST"

The reasons for talking to your community include:

- The contract is the largest budget item for the district
- The accountability resides with the district to inform the taxpayers
- If the district does not communicate, the union will fill the void

The reasons for talking to your staff include:

- The staff is interested in the contract and the negotiations process
- The law supports keeping staff informed
- You owe it to your staff to keep them informed

The biggest challenges for the district:

- When to communicate—timing is critical for effectiveness
- What to say—the message and delivery are critical
- How to communicate the key messages and to whom it is communicated

## A GOOD PLACE TO START WITH COMMUNICATIONS

### KEY COMMUNICATORS: LOOK FOR YOUR COMMUNITY'S OPINION LEADERS

Start a monthly letter from the superintendent and/or board chair.

- Announce the bargaining process by sharing board goals
- Explain how the process works
- Include other information community leaders should know

### ADMINISTRATORS: THIS IS AN ESSENTIAL GROUP TO COMMUNICATE WITH

Make sure they know what's happening from day one.

- Remember this group is an informal vehicle to reach your staff
- This group is also the formal vehicle to reach the parents within the district

### PARENTS: THIS GROUP IS A MUST FOR EFFECTIVELY COMMUNICATING THE PROCESS AND RESULTS

Use building newsletters to:

- Focus on announcing the bargaining goals throughout the process
- Explain how the process works
- Keep parents informed along the way

### STAFF: THIS GROUP HAS THE MOST TO GAIN OR LOSE BY THE PROCESS SO THEY ARE MOST INTERESTED IN THE RESULTS

- Share the goals at the start of the process
- Send progress updates
- Share proposals when appropriate

### NEWS MEDIA

- Bargaining is news
- Reporters need to understand the bargaining process
- Use each step of the bargaining process to inform the media

### BOARD SPOKESPERSON

- Select a spokesperson who gives the board's official response regarding progress and issues
- The individual selected should be articulate, understand the issues and be easily accessible

### OTHER BOARD MEMBER RESPONSIBILITIES

- Support the board's position
- Listen to concerns but don't make promises

### DISTRICT SPOKESPERSON

- This person add the "details" of the district's position and thoroughly understands the process
- Spokesperson contacts the news media and is available to talk with the news media after sessions with agreed upon messages

## THE BASIC COMMUNICATIONS PLAN

### BARGAINING PROCESS BEGINS

- Announce the board goals
- Explain the bargaining process
- Communication vehicles to use
  - > Administrator meetings
  - > Key communicators' letter
  - > Building newsletter
  - > Local newspaper, radio stations, TV stations
  - > Staff newsletter
  - > District Web site

Consider making regular negotiation reports a part of board meetings.

### MEDIATION PROCESS BEGINS

- Announce the request for mediation
- Explain the process
- Share the offer that the district gives to the mediator
  - > Administrators
  - > Key communications
  - > Union members
  - > News media

### 30-DAY COOLING OFF PERIOD

- Personal letters to union members
  - > Outline three to four main issues
  - > Indicate what the salary offer means individually
- Key communications—Help with rumor control
  - > Outline main issues
  - > Give economic information
  - > Make district/board spokespersons available to answer questions
- News media
  - > Discuss key issues
  - > Provide economic information and comparisons
  - > Make spokespersons available for comments

## IMPLEMENTATION OF FINAL OFFER/STRIKE

Be clear to communicate accurate and timely information

### WHEN A SETTLEMENT IS REACHED

Notify the following key audiences:

- Administrators
- News media
- Union members
- Key communicators
- Parents
- Other staff

### COMMUNICATIONS MYTHS AND REALITIES

MYTH	REALITY
The most costly item to a school district is the construction of a new building.	The most costly item to a school district is the cost of labor.
Collective bargaining is where you meet with your local teachers to work out local issues.	Collective bargaining is when you bargain with an affiliate of the largest statewide labor union and the largest labor union in the nation.
If your district is out of money or is having tough financial times, your teachers' union will understand.	The teachers' union cares about what teachers get in wages, benefits and working conditions.
The public doesn't need to know about negotiations.	Communications is an integral part of the bargaining process from beginning to end.
All it takes to inform the community is to tell the media what's going on.	Effective communications is planned, two-way and involves targeting messages to key constituent groups within your community, verbally and in writing.

## COMMUNITY OPINION MAKERS

### CHECKLIST

Following is a list of groups which include key community leaders that need to be informed about negotiations on an ongoing basis and who should certainly be informed about the issues in a strike situation. They also should be invited to attend any community meetings that are scheduled.

- Elected public officials (mayor, council members, legislators)
- Business leaders
- Labor leaders
- Publishers, editors, columnists, commentators
- Talk show hosts
- Ethnic leaders
- Priests, ministers, rabbis, religious lay leaders
- Special interest groups (seniors, veterans, sports groups)
- Homeowners associations
- The professionals: architects, engineers, lawyers, doctors and dentists
- Managements elite: those professionals who run the major manufacturing plants
- Civic leaders
- Agri-business leaders
- Heavy taxpayers
- Charitable organizations
- Women's groups
- Political groups
- Long-time business owners
- Postmaster
- Realtors

## SECTION 4

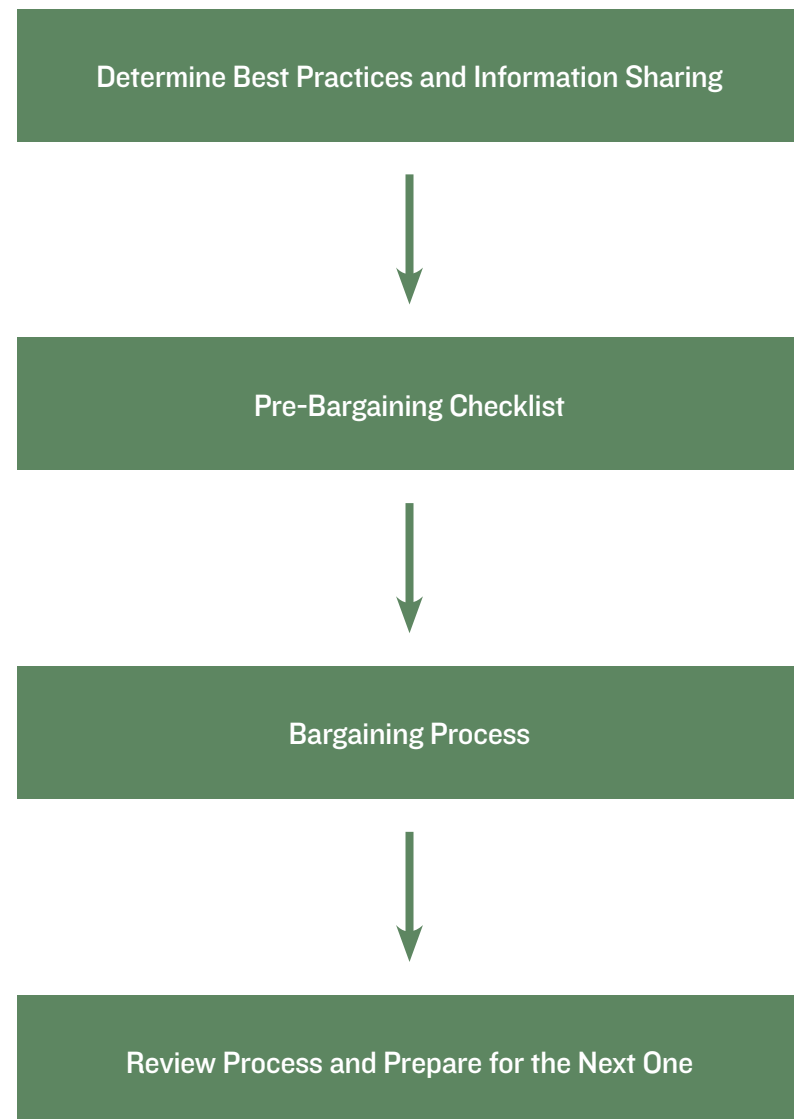
## REVIEW OF BARGAINING/ PREPARATION FOR NEXT CONTRACT

The best laid plans do not always materialize into the perfect outcome. The one step all districts should follow, after the contract has been finalized, is a clear review of what went well and what did not work in the process. Documentation of these issues can be used in the planning process next time around. As noted in many of the previous sections, the negotiations process is an ongoing process that loops around in a circle. What was agreed to in the past contract is the basis for negotiating the next contract. Communications on agreements and the follow-up application of new items is critical to building ongoing credibility. By informing all members of the results and the actual results annually, it helps create an open environment for future discussions. In this section, we will cover the following topics: results of the bargaining process, communications process and ongoing updates, and the team process review/documentation.

## RESULTS OF THE BARGAINING PROCESS

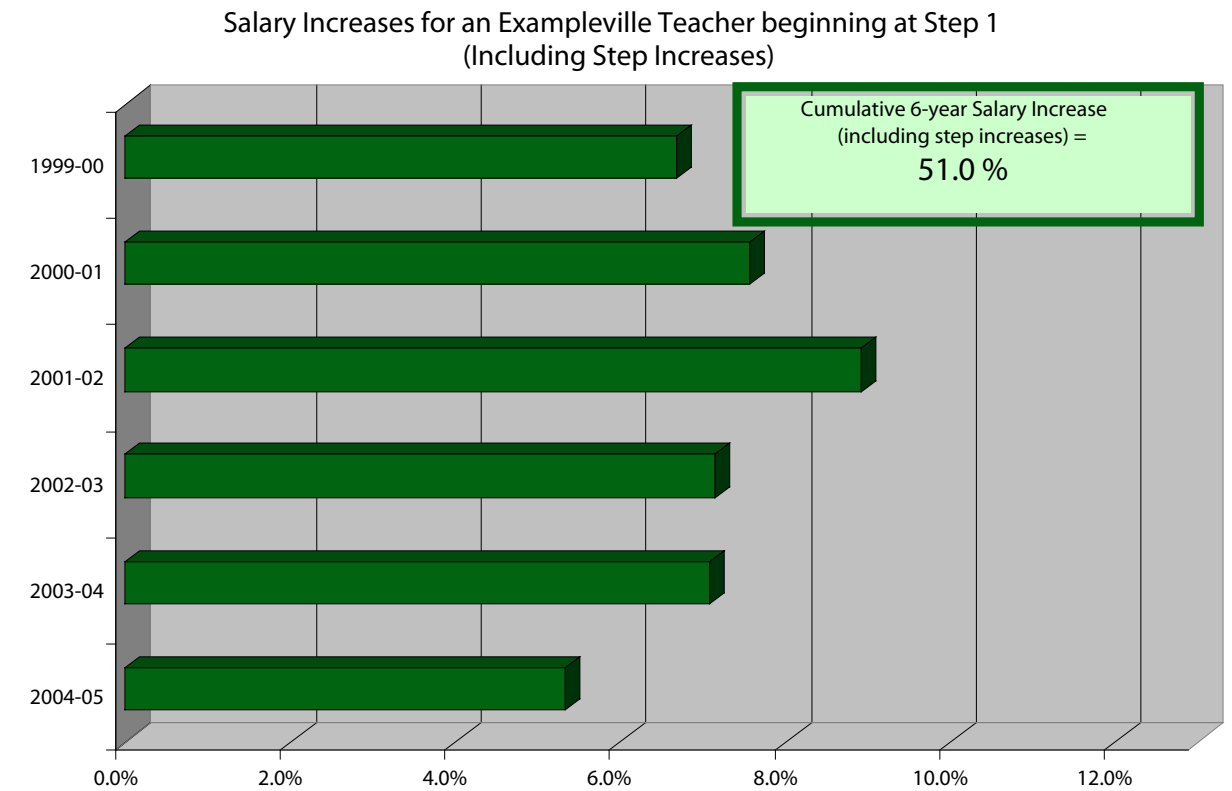
- What went well?
- Were the goals achieved?
- How will information be tracked?
- How did the overall process work?
- What could be improved?

Make sure you maintain a complete set of documents on finalized agreements and terms to refer back to once the process has been completed. A successful negotiations process includes a contract and agreement that all parties can agree accomplishes the overall goals and objectives set forth in the original planning stages. Negotiations is a process. The process follow a cycle to successfully complete a positive outcome. Always follow the steps to maximize the likelihood of a successful process.

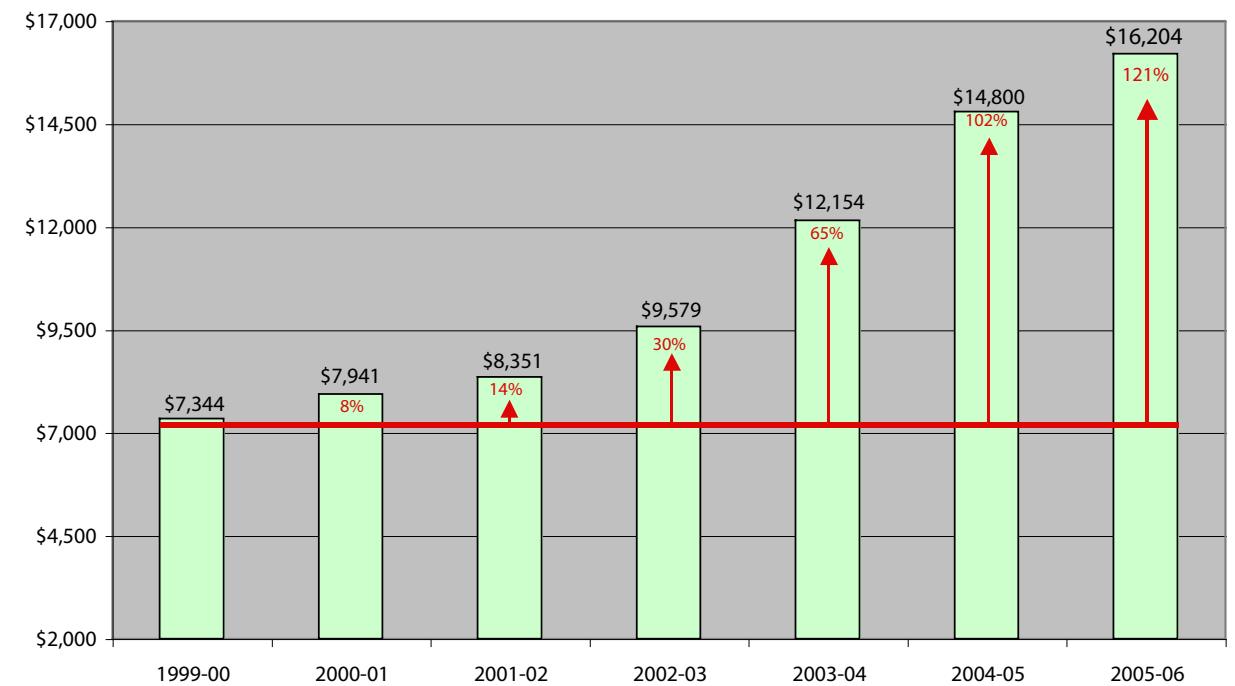


## APPENDIX

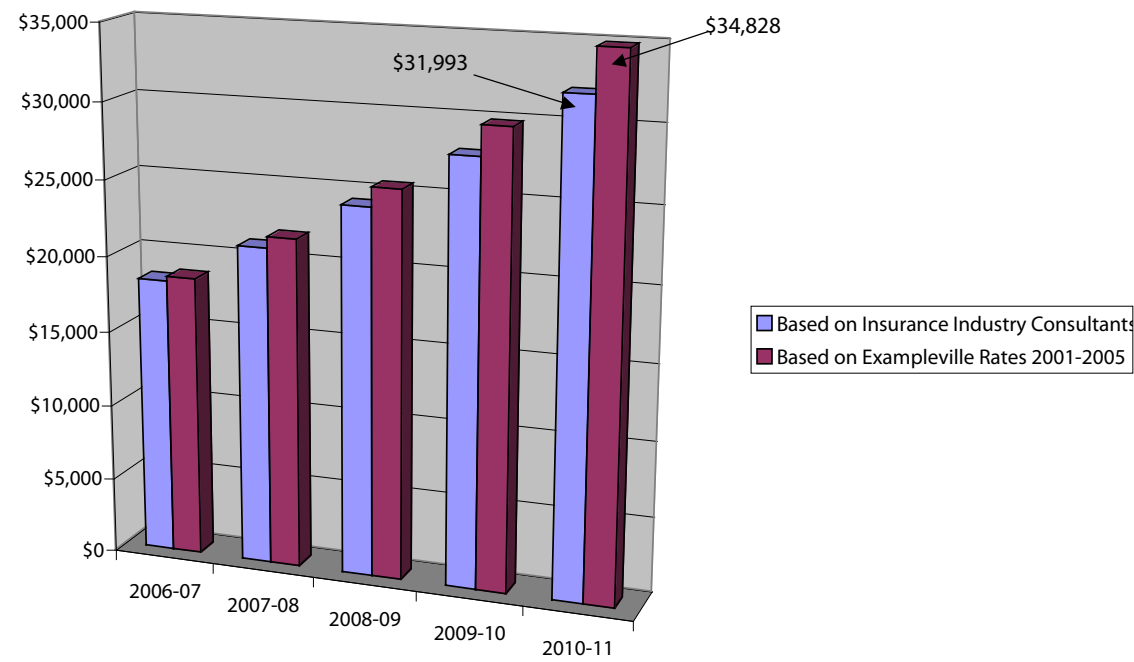
This appendix is intended to provide examples of how a negotiations team can prepare information to share with the various audiences throughout negotiations. They are intended to be used as illustrative only.



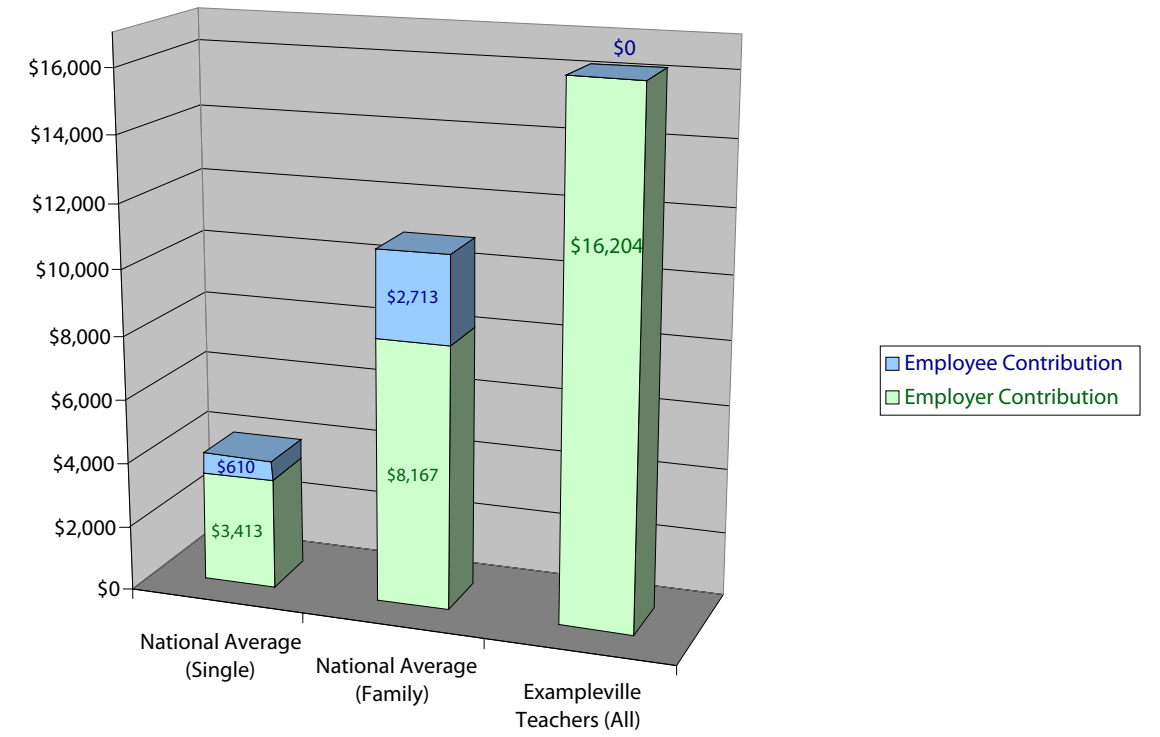
Employer-Paid Annual Health Insurance Premium for Exampleville Teachers  
(with Cumulative Increase)



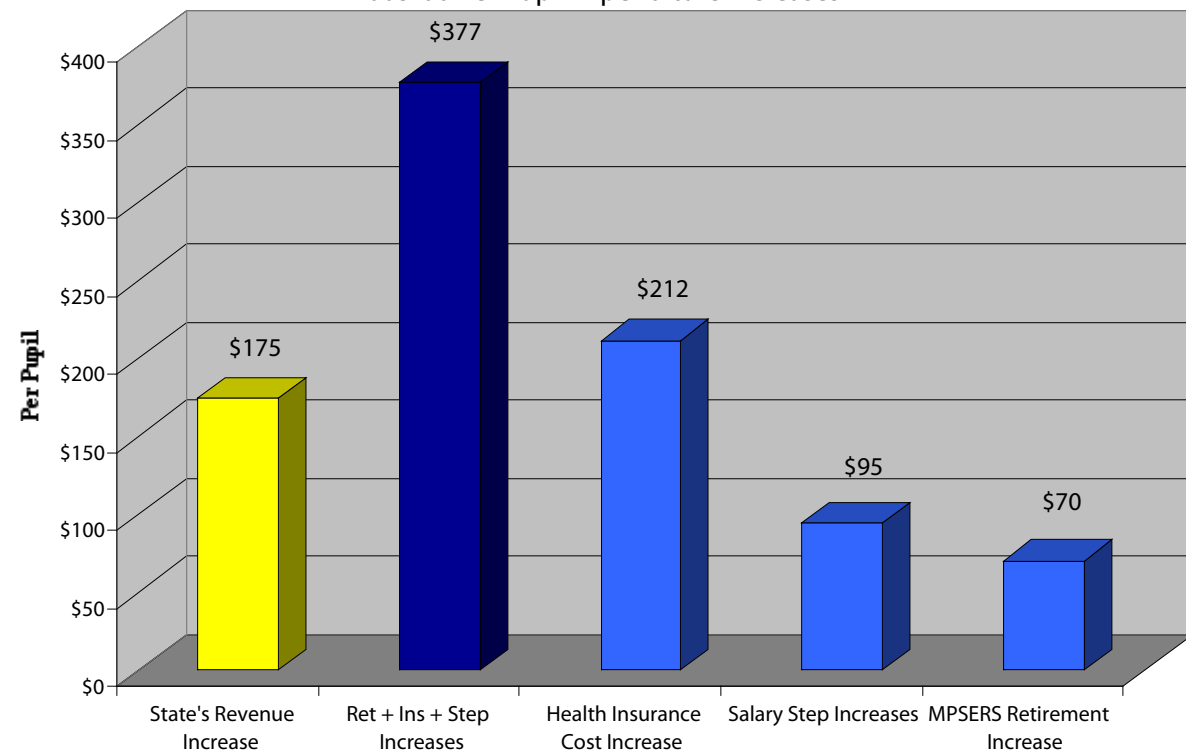
Projected Increase in Employer-Paid Annual Health Insurance Premium for Exampleville Teachers (based on current plan)



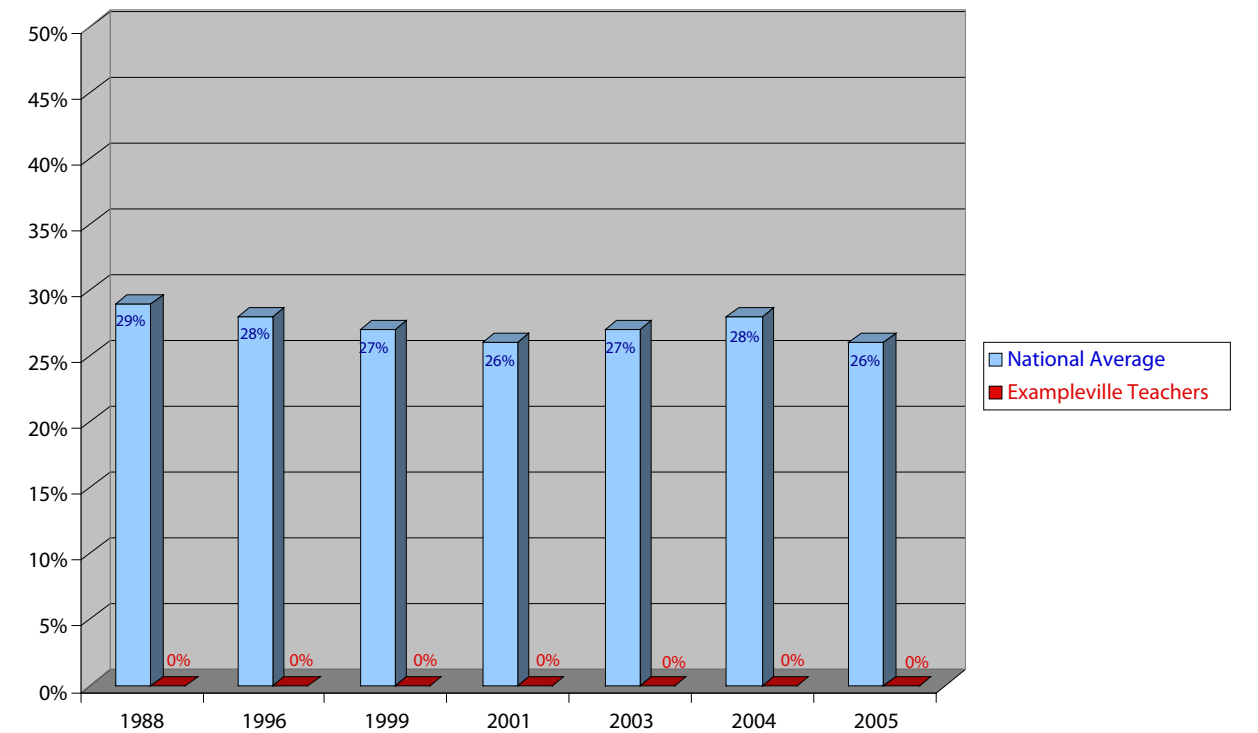
Average Annual Health Insurance Premiums (2005)



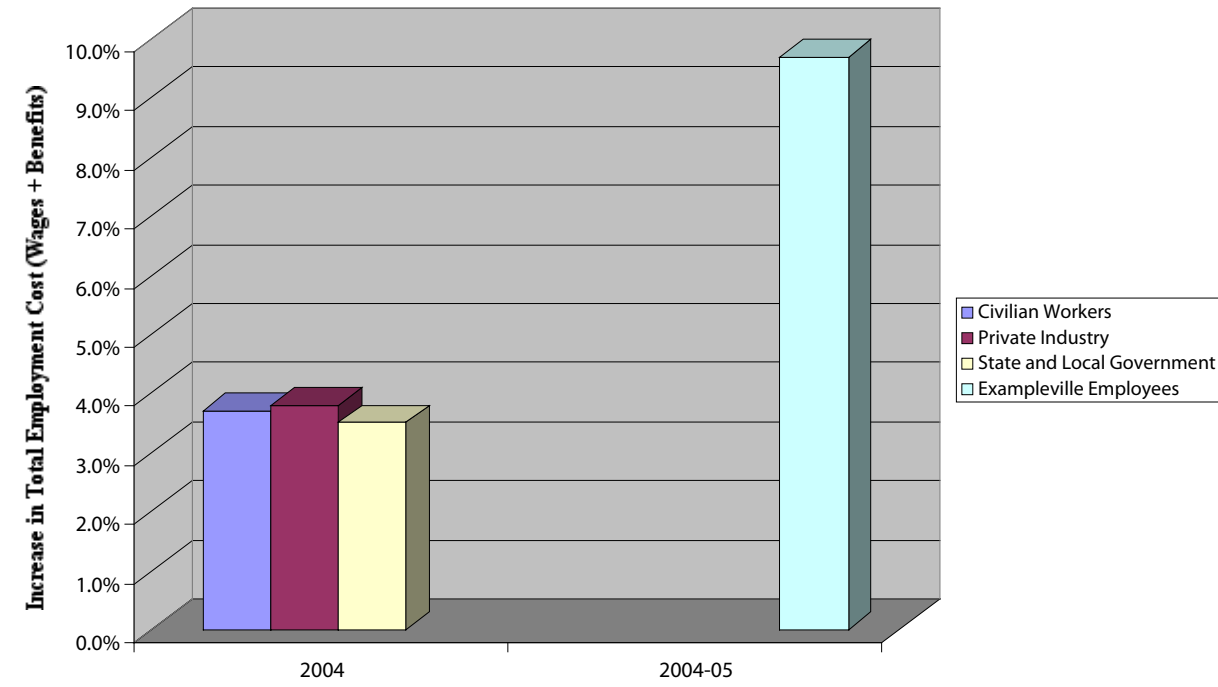
Exampleville Schools 2005-06 Per Pupil Expenditure Increases



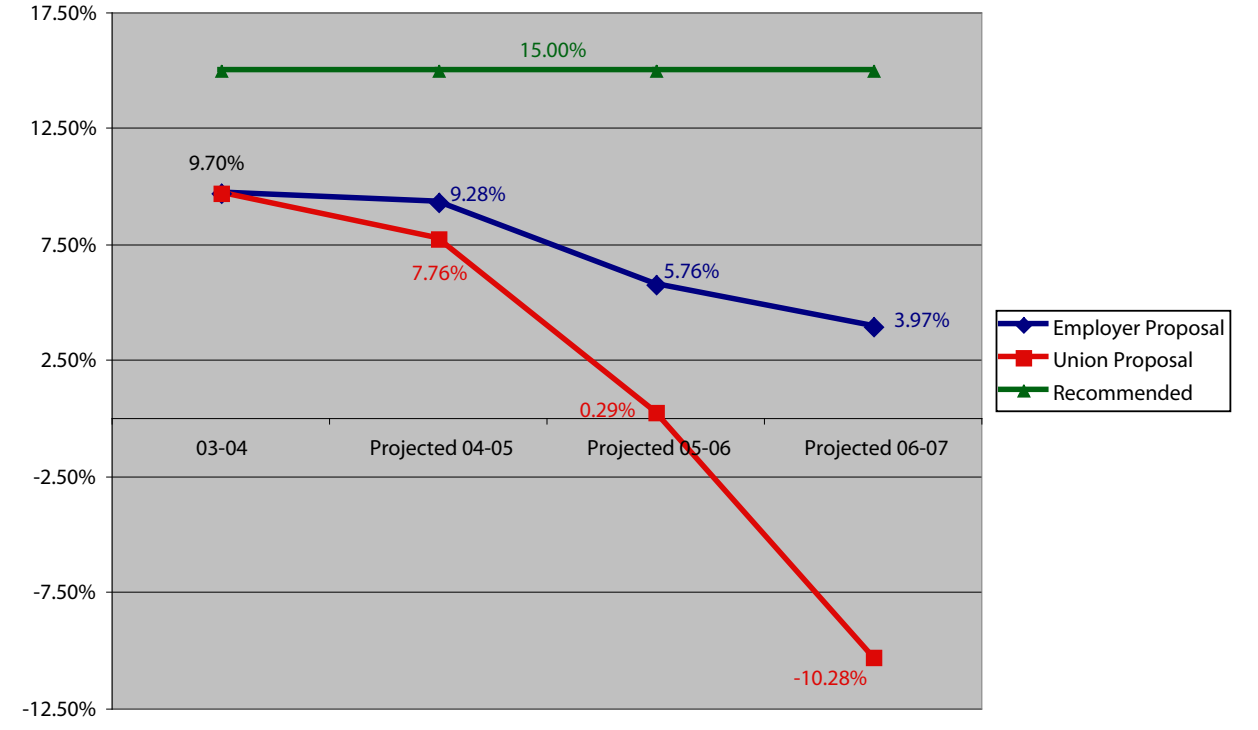
Percentage of Premium Paid by Employees, 1988-2005



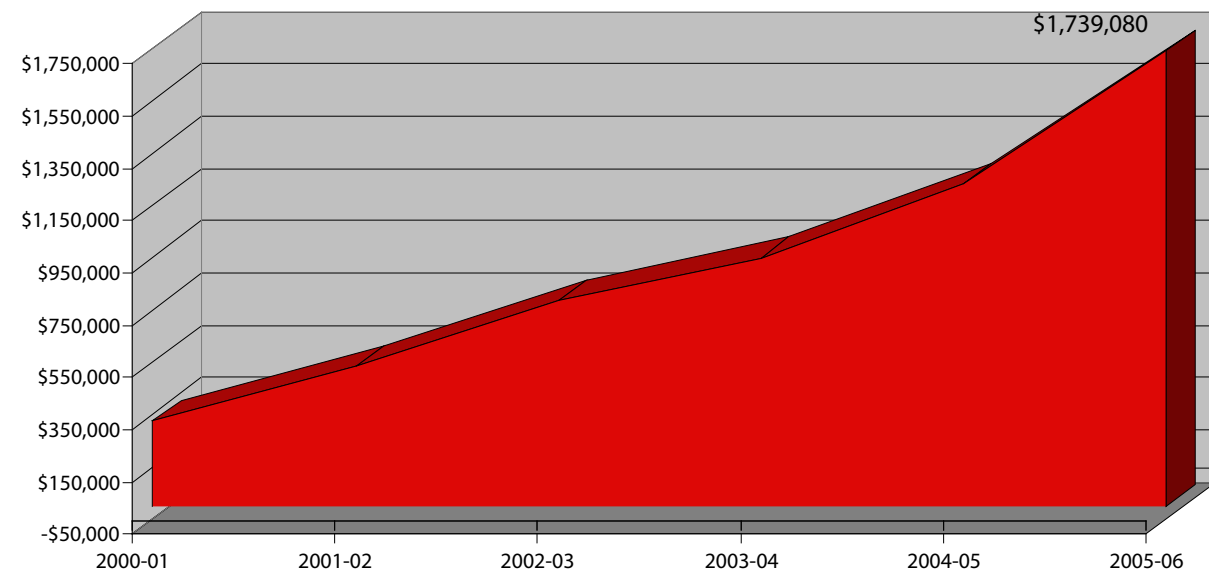
Comparative Employment Cost Index



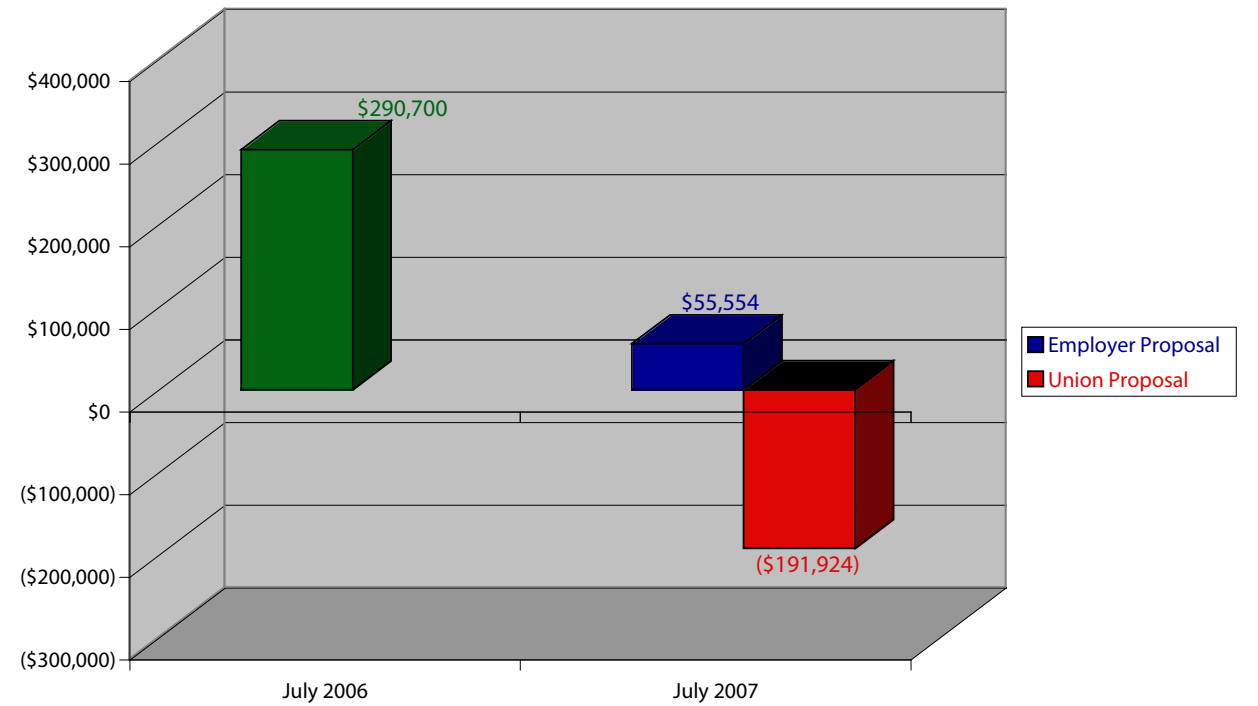
Projected Fund Balance (Percentage of Operating Expenditures)



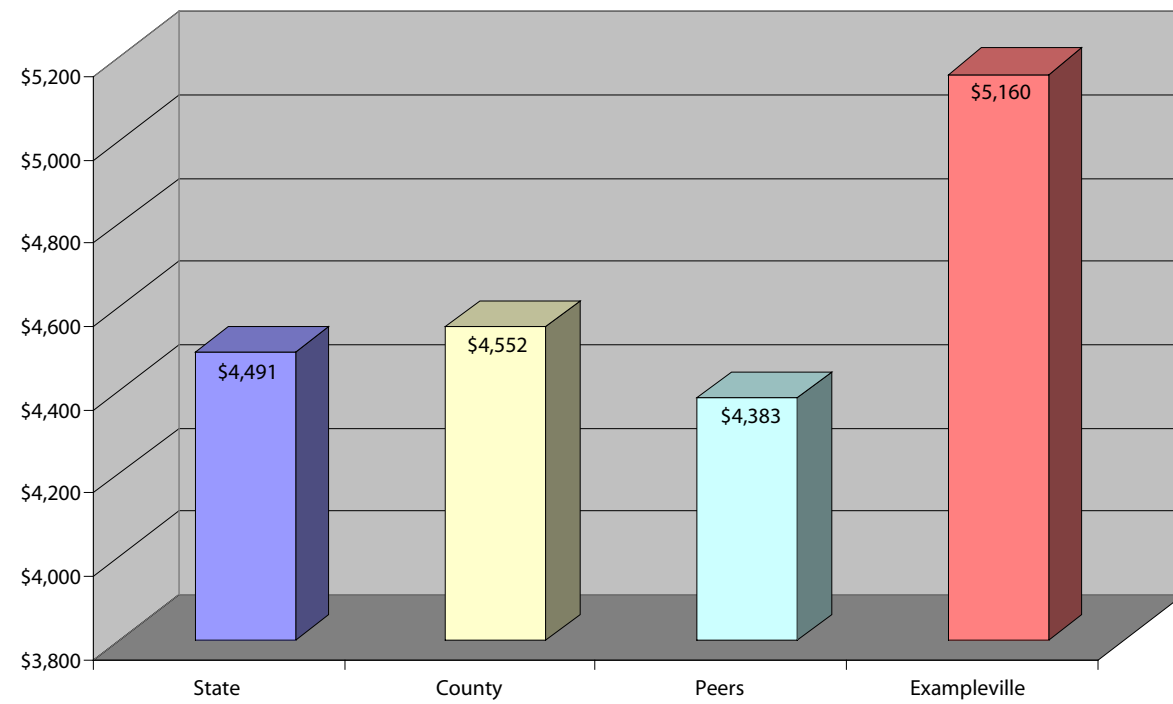
Exampleville Schools  
Cumulative Revenue Loss Due to Enrollment Decline



Exampleville Schools Projected Fund Balance (Dollars)



Comparative Total Teacher Compensation:  
State, County & Peers (\$ per Student)



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