



PROFILES IN LEADERSHIP, COLLABORATION, AND EMPLOYEE ENGAGEMENT INTERVIEW SERIES

INTERVIEW WITH MICHAEL FILLER



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I'm Steve Kraske and this is the Overland Resource Group Podcast Series, Profiles and Leadership, Collaboration and Employee Engagement. These are stories about the surprising results that organizations achieve by experimenting with alternative approaches to working collaboratively, empowering employees and leading more creatively. These stories are told by leaders of corporations and government agencies and the unions which represent their work forces, as well as leading experts in the field of organizational change. This series is underwritten by Overland Resource Group, a change in leadership consultancy, bringing transformative results to organizations for over 30 years.

Michael Filler is director of the Public Services Division of the International Brotherhood of Teamsters. In this capacity, he provides strategic council on public sector labor issues to IBT president Hoffa and members of the general executive board. In 2010, Michael was appointed by president Obama to the National Council on Federal Labor Management Relations. He also serves as a member of the Inter-American executive board of Public Services International. Michael Filler was founding member of the Federal Workers Alliance and an active participant in the United Department of Defense Workers Coalition and has held various leadership positions with the National Treasury Employees Union. Filler spoke with Cathy Wright.

CATHY WRIGHT

Michael, welcome and thank you so much for taking time today to share your perspectives as a long-term labor leader. One thing I do want to note, we are looking very forward to hearing your perspectives, but want to mention that, of course, these are not the views of the Teamsters or the National Labor Management Conference on which [you sent]. So, we're just hearing your views and thoughts and opinions on collaboration and what it takes to be successful. So, thank you for taking time to do that with us.

MICHAEL FILLER

You're quite welcome.

CATHY WRIGHT

Michael, when I looked back over your background, you've had a wide

range of leadership positions with very prominent labor unions over the years, including National Treasury Employees Union and now as director of the Teamsters Public Services Division, so you're in capacity of advising the Teamsters' president, Hoffa, and members of his executive board and potentially impacting over 260,000 public service employees that the union represents in North America. I'm just curious, if you could share a bit about what your leadership approach has been throughout the course of your career.

MICHAEL FILLER

Well, I've tried to use a kind of a goal-oriented approach, not try to begin with the end in mind and what I want to accomplish. And I've looked around for many years, being in the workforce for over 30, and try to identify individuals who seem to be good leaders, as well as organizations that have been high-performing and successful on it. I don't know if I identified any one perfect model, but I've tried to borrow from a number of them, so learning from successful individuals and successful organizations I think it's been helpful to me and it's allowed me to be much more productive and in that regard, maybe a better leader to others.

CATHY WRIGHT

That's a great perspective, Michael, and thank you. If we could all adopt that and spend more time being observers of others and successful approaches and maybe being a little bit more reflective, it's a really wise approach. Thank you for sharing that. I want shift to and think a bit about the history of a team-set collaboration in the federal sector. And I know this fall is the 20th anniversary of the Clinton Executive Order that was really in attempt to try to mandate labor-management partnership. And then, in 2009, of course, president Obama issued an Executive Order in which he tried to put in place labor-management forms, really focused on improving delivery of service to the American public. And, as a point changed of the labor-management council, could you share your views on the impact that these orders, both Clinton and Obama's have had on labor-management relations, and especially from your viewpoint as an appointee to that National Labor Management Council?

MICHAEL FILLER

Well, over this two-decade period, I think that there are three key-chapters. There's the Clinton chapter, there's the Bush chapter and the Obama chapter. And each of those had an interesting impact on labor-management relations throughout the federal sector. Under Clinton, he tried to use labor management partnerships as a way to drive performs throughout the government, they were something called the National Performance Review or NPR and they tried to quondam quote reinvent government. And so, the partnership councils that were formed under the Clinton administration had that main focus. But what we've learned afterwards was that there wasn't much quantifiable evidence of how well these labor-management councils functioned.

There was one empirical study done by Booz Allen that showed that in the custom service at that point and time along with the National Treasury Employees Union, they were able to show a 25 percent of return on investment based upon some changes that were made into the way work was being performed. So that was the one key-example of how well labor-management councils functioned under the Clinton Executive Order. Then we entered the George W. Bush era and in many respects partnership, labor-management partnerships were Bush wacked. One of the first things that the president did at that point in time was he revoked the Clinton Executive Order and so most of that winner-way there were some components, such as the Forest Service which continued a partnership because they felt that a good business stands, but to a large extent the parties reverted the contracts into rights and the law and there was not a lot of cooperation during that eight-year period.

Then you have president Obama being elected, in 2008, and there was a talk at that point in time of resurrecting the Clinton Executive Order and high along with some other union leaders and Washington DC wanted to see some changes to that Executive Order that we wanted to expand it so that other labor organizations and agencies could participate. And we wanted the focus to not only be on labor-management relationships, but on performance, driving performance improvement efforts government wide. And I'm happy to report that those kinds of ideas were adopted in the Executive Order that president Obama issued in December of 2009. So, it's been several years since that order went to effect.

We've got over 50 labor-management forms established throughout the government and each are along the way progress, some more successful than others, some have accomplished note-worthy things that are quantifiable and others are still working on that. So, we're at different stages of progress under the Obama Executive Order. But the good news is that the parties are talking and there's a refocus on labor-management relationships, but in the context of the government wide performance improvement efforts.

CATHY WRIGHT

Well, it makes so much sense, Michael, especially in this environment. Here we are with sequestration and as you mentioned under Clinton not so many examples of quantifiable measurement, but I imagine there're a lot of agencies right now that would really value a 25 percent ROI.

MICHAEL FILLER

Absolutely. So would I.

CATHY WRIGHT

As with the American public, and I know this issue of measurement is something that we see agencies and even in the private sector we see organization really grabbling with how do you measure success. But I think the work that the council's doing, the try to track that and to hold-up fast practices, really helps. Shanna spot light on that and I suspect to there is much more

good work going on that doesn't grab the headlines, some of the negatives we're still here in labor management. So, kudos to that council for help and try to bring a light to the positive work, too. So, that's great. I wonder, too, Michael, if you could expand a little bit on specific examples of collaborative success stories, both from your experience over the years and also things that you've learned about or heard about from the labor-management council. What are some tangible signs of progress? And what do you believe were the keys to their success as you understand it?

MICHAEL FILLER

Well, just to go back on one point you just mentioned and that was on the performance measures under the Obama Executive Order, I headed up a workgroup and we developed certain metrics or performance measures, so that the labor-management forms could be guided in tracking their success. Those are in place today and we're waiting to get back reports on how well the different forms are doing in the areas where they're focused on to improve the mission and the performance on behalf of the American public. Based upon my experience on the National Council, I could point to at least two – I think – very good examples that have occurred within the United States, U.S. Naval System's Command or NAVC and these are easy to understand the examples. In Hawaii, with the Metal Trades Council of the FLCIO and NAVC, they created something called the Moonshine Project which focused on improvements in work process and schedules to generate cost-savings at the Naval Shipyard.

And just a simple process of improving the method of changing out batteries on Virginia Class Submarines, reduce the cycle-time and then one year produced annual savings of over 435,000. Now if you can replicate that in other areas, caring out other taxes, I can see the savings on behalf of the American public and, as you pointed out, under sequestration, those kinds of savings become even more important. There was a second example involving NAVC and the Metal Trades Council where they were initiating an hour-a-day productivity program and through a collaborative undertaking involving 56 burgeoning units comprising 35,000 employees at four shipyards.

They were able to generate an hour of productivity, an extra-hour of productivity for each worker by partnering with the Labor Unions and implementing agreed-upon initiatives and we're expecting this particular initiative to be saving a lot of money for NAVC and the Pentagon in general. So these are two – I think – very good examples of what happens when labor and management works together and focuses on the mission and allows the employees to be engaged and to implement their ideas because they know best on how to improve efficiencies within organizations. And I'm very proud to report these two examples. I mean, share them with you.

CATHY WRIGHT

Oh, great examples. And I think you're exactly right. So often, organizations

aren't set-up to pollen those great ideas and suggestions and improvements that employees have, you know, to your point, they are the ones that are doing the work every day, they understand it best. And they're probably just as frustrated as anybody when things don't work as well as they want them to, so those are great examples. I've got to ask you if you know where the Moonshine project name came from?

MICHAEL FILLER

I don't, that's top secret.

CATHY WRIGHT

Okay, fair enough. Fair enough. Those are great examples, Michael. Thank you so much. One other thing I'm aware of that you've been very involved and I want to touch on a bit is bringing labor groups together really as institutions and forming these alliances throughout the federal sector. I'm curious, if you could talk a bit about that and what's the value? Because we're really saying here is a union to union collaboration. So why do that? And what does labor gain from that approach?

MICHAEL FILLER

Yeah. Well, as I say, crisis creates opportunities and unfortunately, after the attack of 9/11, the Bush administration started to sought to curtail the bargaining rights of Department of Defense civilian employees by making changes in their labor and personal policies. And that created the opportunity for over 30 unions to work together in what became known as the United Department of Defense Workers Coalition or UDWC. It was necessary for us to continue to effectively represent close to a three quarters of a million civilian employees at DOD for the unions are to collaborate and to cooperate to get the job done. And we did work very effectively together for a number of months dealing with proposed changes that the Department of Defense wanted to make, that would impact their civilian workforce. And at the end of that experience, well, the unions came to a consensus and presented their proposals.

The Department of Defense rejected them and that required us to go and engage in both legal and legislative battles to get those problems fixed. This particular crisis of 09/11 gave the unions the opportunity to work together very effectively and focus on ways to incorporate change into the Department of Defense, but in a way that balanced the interests of the workforce with the interests that the agency had. Unfortunately, they went down to a different path and we had to engage in more conflict before the problems are corrected. But there is a happy ending to the story and that is after all the litigation and legislative actions on Capitol Hill, the parties were brought back together and did engage in something called The New Beginnings. And out of that process, there were approximately a hundred recommendations that came out and I think 80 to 90 percent of those, the Department of Defense plans to adopt. So, this story does have a happy ending.

CATHY WRIGHT

Great. Great example. I think, too, that so often we see that labor and

management are sort of predisposed to assume that they're going to be adversarial and it leaves so much on the table when they fail to consider the strength if they can identify their shared interests and work collaboratively toward achieving them. I mean, there really is strength and numbers and when you can get both, management leadership and labor leadership, pointed in the same direction, it is hugely powerful and in the private sector we think a role competitive advantage that too few organizations take advantage of. So, great story there, Michael. I also wanted to touch base with you and knowing your work, you provide strategic counsel and education to unions and their members. I know you encounter plenty people in the labor arena alone who are very skeptical about this need for the benefit of labor-management collaboration, just the kinds of things we've been talking about. What do you say to your union colleagues when you're getting pushed back from your own team, when they're hesitant to really embrace the collaborative kind of approach?

MICHAEL FILLER

Well, sometimes, that was a difficult conversation. There were folks who – I guess – have a schooler thought of using the labor-management relationship as one to fond by a law and the party agreement only. And those individuals viewed the world as the parties have a separate and defined interest and they think collaboration just takes too long to get anything down, so they would prefer to negotiate and to possibly reach an agreement into a trust areas of impasse through some other conflict mechanism where it would be a strike in the private sector or in the public sector through some established processes to resolve those differences.

But the important thing that I think both, labor and management need to realize is that they should do their best to engaging collaborative efforts because many more benefits could come as a result of that experience and that both sides ultimately retain the right if it's not working to resort back to whatever rights are defined by a law or the terms of the collective burgeoning agreements. In most cases, neither side loses anything, but through the collaborative experience they may realize that there are many areas of common interest where those interests could be neutrally satisfied.

CATHY WRIGHT

Right. So, kind of a nothing ventured, nothing gained, right?

MICHAEL FILLER

Absolutely. And you've got to have a little courage and the willing to engage in a little bit of risk to trust that person across from the table who you've been burgeoning against for many years and who you filed grievances and [un-free] labor practices again, to behave in a little different way. So it requires some behavioral modification and some conscious thought to do and operate differently.

CATHY WRIGHT

I think that's so true and I think about one of our clients we worked with in the Federal Aviation Administration. Made a point in a meeting with her

union counterparts and said, “If we’re not willing to be a little bit vulnerable with one another, we’ll never build trust.” I think there’s a lot of truth in that. It is the proverbial, “extending the olive branch sometimes when you think it might get cut-off”, but you do it anyway and through that experience have the opportunity to really leapfrog in terms of outcomes and not only to improve relationships, but more importantly, real benefits to the organizations. Michael, I want a related question. When you think about labor-management collaboration, what do you see as the real core purpose? And what’s the ultimate outcome of doing this work well?

MICHAEL FILLER

I guess if it’s done well, whether for the collective burgeoning or collaboration, each party’s interest is addressed, then in some cases one side may get more than the other, but if true collaboration and talking, the parties can effectively address their issues, then you have a win-win. And in many cases that may involve engaging the workforce or addressing workforce issues, but at the end of the day, if you’re creating the proper work-climate and to get the job done, then the employers should also benefit from that because they would be meeting their mission. I was doing some reading recently and I noted some word done by someone by the name of Professor Mark More, from the Harvard Canady School.

And he talked about the purpose of collaborative action has to do with value creation or increased work. And I think that’s a very good way to look at the experience because as Professor More points out, he talks about partners being like the explorers in seeking out and discovering and finding ways to produce or create value. And I think that that’s the case of whether you’re in the public sector or the private sector. In the public sector it would be serving citizens in exceptional ways and in the private sector we would be satisfying customer demands and generating profits for stockholders. And so, there are those – I think – common interests in creating value that come about as a by-product of collaborative endeavor labor and management.

CATHY WRIGHT

Sounds like a great book to add to my reading-list, Michael. Thank you for that. I would completely agree how hardly value creation is a real win-win for both parties, right? If enterprises are not being successful, it’s hard for the members of unions to benefit either. So, ultimately, I think working together to improve organizations helps raise the tide for all the ships, right?

MICHAEL FILLER

Yes, absolutely.

CATHY WRIGHT

I want to skip ahead a bit, Michael, and talk about challenges. It seems as we talk this makes so much sense to us that the parties are better served and their employees and members are better served when they’re collaborating. But what is it that gets in the way? What’s the greatest challenge you see in bringing labor and management together? And what advice would you give to

organizations that are really struggling to get going in this direction

MICHAEL FILLER

Well, sometimes, it's history that gets in the way. Parties recall difficult moments that they've had and in some cases they're looking for paybacks. I know on the union side, for example, raps faced challenges on a day-by-day basis and sometimes they become frustrated when they can't produce a satisfactory resolution to a workplace problem in a timely fashion. So, sometimes that disenchantment can grow and it spills over into the labor-management relationship. But when you look at it, whether from a traditional labor-management standpoint or an environment work collaboration, occurs there will always be bumps in the road.

And I think it's important for both labor and management to realize that engaging in constant battle, in one form or another, does take its toll on the warring parties as well as the employees and definitely generates what I think is mutual destruction from prolonged polarization. And this results too in a demoralized workforce that's aligned with neither labor nor management. So, that continual conflict and battle has definitely long-term adverse impacts. So, the ultimate challenge for both labor and management is to become willing to satisfy those differences even though they are deeply rooted and to begin to formulate a relationship based upon mutual respect and cooperation.

CATHY WRIGHT

Great answer. It's so often – you're right. It's so often is the history that bogs them down and as we think about leaders, they're the ones that we rely on to look forward and to look to the future. So, having the opportunity to shed that history, is a really critical piece there, Michael. A couple of tangential questions, but I would be remiss if I didn't ask. We'll see where this takes us. Quite often as I'm flying around the country, sitting, talking with my seat-mates, they'll ask what I do and I tell them that we work with management and labor to help make organizational change focused on improving performance and quality of work life, I get these really quizzical looks and then typically one of two questions or sometimes both. The first thing, "Why do we even need union in this country, in this day and age?" And the second question being, "If unions were a value, wouldn't their membership be increasing instead of declining?" I imagine that you get the same questions, too. So, I just wanted to take the opportunity to ask how do you respond?

MICHAEL FILLER

Well, I looked straight in the eye and I say that they are vitally necessary. And as advocates for working Americans, when you look at issues such as the gross imbalance and wealth in our country, the high-levels of unemployment or underemployment, it's because of the unions speaking out for good paying jobs, for the equity and help benefits and retirement benefits and basic justice in the workplace that keeps some of this and check. But the challenge has been for labor in the 21st century is related to a changing workforce, many of the men and women who began their careers when union density was much

higher are today entering retirement.

And I think the problem has been that labor has been slowly adapted to external factors such as globalization of the economy, the information age and ways to relate to a younger and more transient workforce. So, I think labor-management collaboration can really be the key for labor to engaging the workforce of the future because they can create an environment that allows that workforce to be engaged in ways that will allow them to be more successful and in that regard I think a lot of the unions to be more successful and to grow once again.

CATHY WRIGHT

And so, that really, Michael, is advocating for a more perhaps progressive viewpoint on the part of labor, not locked in the, “Hey, what we do is grieve, arbitrate, negotiate. Period.” We also work with the organization to try to find there’s mutual gains and there’s a bigger part to share, right?

MICHAEL FILLER

Yeah, because if all you do is spend your time on advocacy and grievance resolution, which are activities that are right-based, you don’t see the fuller view, which you need to have to be effective in the future and to grow in a sustainable way. Otherwise, it will only be those people who have problems, who would come to the union. And 80 percent of the workforce who never have problems will be overlooked. So, being more open, being more collaborative, taking a look at the overall performance of the organization in ways to create a positive work environment is really where the unions at the future need to be.

CATHY WRIGHT

Michael, you’ve shared wonderful perspectives. I appreciate it so much. I just want to ask, are there other thoughts or comments you’d like to share as we wrap up?

MICHAEL FILLER

Maybe two concluding thoughts. One has to do with another area where unions can play a vital role and I think it comes about to the collaborative experience and that is by being engaged pre-decisional at the idea stage before organizational change takes effect. But that will allow – I think – a better outcome. I look at some of the organizations like Kaiser Permanente, which I think is a global leader, and they’re really taking labor-management partnerships and employee-engagement down to the sharp floor and as a result, they’ve had a tremendous transformation from conflict to collaboration and they are one of the highest performing organizations throughout the entire world and they’ve done very well and moving innovation and high-performance. And so, I think that Kaiser story is an important one that labor and management need to look on as a success that they can get much benefit from.

Yes, it’s very well regarded and probably one of the best known examples and certainly, one of the longest running partnerships that we have in place. So,



that's great reference. I want to thank you, Michael. You've, as always, shared great insides. It's a pleasure to talk with you. And thank you for the leadership that you bring to this labor arena and to the labor-management collaborative arena. I think it's a really valuable contribution and I appreciate you're sharing your perspective.

MICHAEL FILLER

Well, I thank you, Cathy, for this opportunity and I hope your listeners will find some value in what has been shared today.

STEVE KRASKE

That's Michael Filler, director of the Public Services Division of the International Brotherhood of Teamsters. He spoke with Cathy Roy. This Profile in Leadership, Collaboration and Employee Engagement Interview was brought to you by Overland Resource Group. For a transcript or more information, visit their website at www.orginc.com or email them at WorkingTogether@orginc.com.