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Article abstract

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Bargaining Exercises Beyond Simulation, A Touch of Reality

C.H.J. Gilson

Collective bargaining exercises began appearing in University classrooms at the beginning of the 1960's (see French 1961; 1962; Blum 1961). Most probably, this was a result of cross-fertilization with experiential teaching methods being employed in the field of Organizational Behavior (Strauss and Driscoll, 1980). At this time personal encounter groups, T groups, and assertiveness training were being developed to aid conceptual awareness and encourage personal insight. In parallel with these developments, progressive industrial relations instructors, and indeed practitioners themselves, made extensive use of increasingly sophisticated bargaining games and exercises. The value to practitioners, as French (1961) noted, interestingly, was that it gave each respective party the opportunity to role play from the other side of the table, thus enabling development of a 'perspective on bargaining approaches of the other side'. One may also envisage that such training exercises allow for the ironing out of simplistic errors and tactical blunders in preparation for the real thing.

Student simulations are valuable also, but perhaps for slightly different reasons. In the first place, a simulation exercise gives an Industrial Relations or Collective Bargaining course an excellent focus. For students, such exercises are almost invariably a formative experience which unifies theory and practice in a tangible way. In offering a microcosm of the «real world»,it may be one of the most important university experiences which constructs a bridge between classroom learning and the world of work.

There are three chief benefits from exposing students to collective bargaining simulations. First, they develop considerable insight into interpersonal issues, both in terms of intra and inter-group dynamics — a test bed for Walton and McKersie's sub-bargaining processes of distributive, integrative, and intra-organizational bargaining, together with attitudinal structuring (Walton and McKersie, 1965). Second, student motivation is exceptionally high and self-generating. Usually this gives the industrial relations instructor considerable advantage over colleagues who do not have this kind of exercise in their armory.

Third, and perhaps most importantly, «the simulation offers specific skills which are usable in the job market» (Tracey and Peterson, 1975:98). Now if this is a serious consideration, then it is incumbent upon the instructor to select, prepare, and present simulated exercises which do this most efficiently. Perhaps the most often asked question in this regard is, «how

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close to the real thing can simulations be?» In the mid-seventies, Tracey and Peterson conducted an interesting experiment by issuing attitudinal questionnaires to students and practitioners who had recently taken part in, respectively, simulated and real life collective bargaining. Although there were perceived differences, particularly with the student managers who tended to show less respect towards their union conterparts (1975:108), Tracey and Peterson concluded that

> In many respects, a complex student mock negotiation does a good job of approximating the real experience. (175:109)

As a past union official and latterly an industrial relations manager I am convinced of the value of simulated exercises. They are a truly enlightening experience for the student and an excellent vehicle for course learning, integrating course concepts with personal activity. Obviously I am a fan. Yet I have difficulty in concurring with the conclusions which Tracey and Peterson offer. There are a number of problems which collective bargaining simulation exercises create, which warrant serious consideration.

First, according to Gordon et al (1984), laboratory experiments may carry methodological problems with respect to internal and external validity. This is because simulations are constructed using a contrived environment. Participants can therefore respond to a number of internal variables, such as evaluation apprehension (Rosenberg 1969), the behavioural characteristics of the instructor or researcher (Rosenthal, 1963) or even the actual character of the exercise (Orne, 1962). Moreover, 'interpersonal processes observed in contrived environments seem to lack external validity' (Gordon et al, 1984). The absence of tangible 'real-life' pressure simply cannot be overcome in laboratory simulations (Carlsmith, et al 1976; Brunswik, 1955). In consequence, it is entirely plausible to suggest that role playing, even when fully internalized creates interpersonal dynamics rather than a collective bargaining situation (Morely and Stephenson, 1977). Even if this is only partially true, the implication is that our inability to construct realistic externalities lays open the possibility for interpersonal confrontation fettered only by internal simulation rules which may themselves lead to unintended behaviours.

Indeed, Tracey and Peterson admit that there is a lack of trust between the two sides in student simulations but they also argue that this mirrors the experiences of first time negotiators in the real world. Real life practitioners however still have to satisfy their constituencies, i.e. employers, owners and union members — a fact which substantially mediates the initial lack of trust and potential breakdown in the bargaining process. This does not obviously exist in any tangible way during student simulations. The result is a distortion which, in concrete terms, means that students almost invariably learn and go through a process which is adversarial and confrontational in nature. And this may be the case even if the subject of integrative bargaining has been covered in previous classes. This is not intrinsically their own fault. The dynamics which we as instructors have provided may make such developments almost inevitable. Of even more importance, is that even if settlements are reached without recourse to strike threats and the like, the method through which settlement has been achieved is going to be dominated by the adversarial approach. In other words, we may teach the

virtues of integrative or co-operative bargaining, but it is doubtful if present simulated exercises encourage it. Moreover, the temporary nature of simulation exercises leaves the participants with a sense that they are free from further responsibility. A decent grade from this part of their course may indeed be the single most important motivator. Consequently, it has been argued by Drabek and Haas (1967) that experimental groups are merely simple, temporary gatherings which do not cohere as stable social systems. Without the prospect of continued interaction both parties are free from the significant constraints which normally face managements and unions. In real life, future bargaining and necessary coexistence invariably produces a sobering effect on present bargaining strategies (Roering et al 1975).

A second though not unrelated problem is that peer pressure while ensuring adequate role playing also serves to encourage gregarious and arrogant forms of communication. In many instances simulations can degenerate into noisy infantile disorder, as each team attempts to impose its version or interpretation upon the information which has been made available to them. This does not mirror real life scenarios which can also exibit rancour and personal abuse. Rather that students may use the simulation exercise as an arena to display their superior knowledge and intellect to fellow students. In other words, intrepretation of the simulation package becomes an end in itself rather than a means to an end — i.e. contract settlement. This is particularly the case with business students who excel in the quantitative area. Sometimes the bargaining arena becomes awash with ratios and financial jargon with an accompanying absence of strategy or purpose. Subtlety is generally lost and dignified presentation becomes submerged beneath personal albeit artificial antagonisms.

A third problem is that we usually emphasize that we would like to see all participants play a significant part in the process. But because of the limitations of simulations it is almost impossible to get Production and Personnel Managers, Presidents and Shop Stewards, to play effective individual roles. They simply cannot construct the restraints and opportunities which exist in the real world. Thus, an added problem is that particularly on the management side there is the lack of a single chief negotiator which helps to augment clear strategy and a semblance of continuity. Finally, due to the time and resource constraints, most exercises fail to allow for third party intervention in the form of conciliation or mediation. (Gordon et al, 1985:225) This is a critical weakness. Over half of all contracts involve third party intervention of some kind. And it would be remiss indeed to ignore the impact that this has upon bargaining tactics, strategy and the process of settlement itself.

Each of these problems, I would argue, results in an exercise which, while still valid and immensely important, is not preparing the requisite skills of our students for their future careers. Symptomatic of this, is that we tend to call the simulated exercise a game — a further devaluation and gross misrepresentation of the word which from time to time is used by the practitioners themselves, but in a much different context. «Games» in the real world still affect companies and their employees. Simulated exercises only impact upon the participants.

Despite the problems outlined, there are three methods which can be employed which serve to give simulated collective bargaining exercises a greater sense of reality.

ANOTHER ROUND

The main problem that is seemingly unavoidable to simulations is that the students inherit a given situation or contract to re-negotiate. Since they most probably have no experience of this «game» either, it is little wonder that the bargaining relationship will be fractured and incomplete. In order to overcome this, I have employed the following technique.

At the end of the first exercise, the results, i.e. costs (chiefly financial) of the settlement are fed back into a new income statement and balance sheet, together with an updated senario which the instructor can base upon the emerging dynamics of the first contract negotiations. A number of benefits arise from this. First, when the teams negotiate the second time, they have developed a clear history, enabling their style to be refined and improved. Second, it is they who are responsible for the new situation in which they find themselves. Once this level of responsibility has become apparent, much of the «crass» bargaining tactics dissipate in favour of a more considered and thoughtful approach. Third, the teams invariably develop a mature respect for each others position. Co-operative postures and «olive branches» begin the creep into the bargaining equation — laced with multiple references to their mutual past. The pace becomes slower, and with relaxed rules, the sessions start to linger on into the small hours, introducing a real sense of attrition and lengthy compromise. More importantly, the mock negotiators are no longer passive recipients of a given scenario but active initiators who have to live with their past statements and results. Generally this will expose the weakness of a simple aggressive confrontational posture. The introduction of semi-stable social groupings thus introduces some elements of external validity. This format clearly incorporates what Fromkin and Streufert (1976) have called 'boundary variables', i.e. the construction of a research environment which replicates in some sense a real world setting. The re-negotiation exercise leads to greater subject involvement and broader strategies and tactics which are based upon future interaction (Slusher et al 1978). Greater external validity may also help reduce internal distortions which are seemingly unavoidable in a research setting (Berkowitz and Donnerstein 1982).

A THIRD PARTY

By the time the students have reached their second simulated exercise as described above, they are sophisticated enough to know that third party intervention is a legitimate part of the bargaining process. By making this option available, (although this by no means implies that it will always be used) through using external resources i.e., personal managers or union officials, the sense of realism is increased. More importantly, it adds to the richness of options with respect to strategy and tactics, not to mention overcoming genuine breakdown.

GROUP SUPPORT

The better teams have realized that a «free for all» is a decidely weak strategy. Almost without exception, their own learning curve tells them that a single chief negotiator is likely to yield better results. This enables the instructor to place more emphasis on intra-organizational bargaining and the construction of proposals before and during the actual sessions. For example, the construction of a 'bargaining book' (Craig 1978:306) can be recast such that members of a team who do not conduct or act as chief negotiators are required to develop written strategies and alternative positions based on what they expect the other team to propose. This can be continued during caucus periods where reflections create opportunities for a further re-examination of ongoing bargaining strategies. Unlikely candidates may find themselves thrust into the limelight, but with strongly coordinated and tight support from colleagues, new stars may emerge unexpectedly. This is an added bonus for the student, the course and a source of satisfaction to the instructor.

SUMMARY

This extended format obviously requires extra work on behalf of the instructor and most probably some observing of the process. Although the format is best suited to a standard Collective Bargaining course rather than an Introductory Industrial Relations Section, it is possible to teach it across two half electives as is the practice at St. Francis Xavier University. I have found that rather than overloading the electives with experiential learning, the spin-offs actually buttress and illuminate conceptual and theoretical insight. Cross-fertilization and total involvement of the students more than outweighs any negative aspects, of which to date, I have found none.

The format described here is in fact underscored by Tracey and Peterson, since they recognise the problem inherent in «first time around» simulations. Yet their suggestion that a short bargaining exercise should preceed the more complex simulation (1975:109) misses out on the continuity aspect described here, which makes for better inter-personal dynamics and for a far greater sense of realism.

The most important point to be made is that the re-negotiation format allows students to articulate techniques and skills which are more relevant to the needs of present day practitioners in the field of industrial relations. And their breadth of understanding the process is no longer truncated by simply beginning and ending with adversarial bargaining. Emerging integrative and co-operative opportunity should be realisable within collective bargaining simulation exercises. The format described here offers some hope that these qualities are obtainable within the classroom setting.

Finally, it should be possible to develop a research design which is able to test the hypothesis presented here, that a re-negotiation exercise adds breadth to the bargaining experience, thus reducing the gap between simulations and the real thing. A comparison between the perceptions of student negotiators and practicing managers and trade unionists might reveal less

obvious differences than those identified by Tracey and Peterson's 1975 study. Such a research project should include an attitudinal survey covering practioners in the field of collective bargaining and students who have respectively completed a single simulation and those who have completed the renegotiation exercise.

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