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**THE PROCESS OF ENTERPRISE BARGAINING IN CONTEXT:
A CASE STUDY**

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ABSTRACT

In this paper a case study of enterprise bargaining at Billanook College is used to illustrate the idea that organisational change is a messy and complex process rather than an event. A contextualist methodology is adopted to provide a descriptive understanding of how the outcomes of organisational change are dependent upon the process, as well as the contexts in which change took place. At Billanook College enterprise bargaining, and in particular the use of a certified agreement, served to formalise outcomes of organisational change and legitimate a range of organisational change issues. The case study reveals that the interplay between the process of change and the context, particularly the industrial context of the organisational change, was influential in shaping the outcomes of enterprise bargaining at Billanook College.

INTRODUCTION

Since the mid 1980s the federal government has undertaken an extensive program of micro-economic reform with the objective to improve the efficiency, flexibility and international competitiveness of Australian industry (NLCC, 1988). Industrial relations reforms have concentrated on shifting the focus of bargaining over wages and working conditions from the industry or national level to the parties at the enterprise level. Enterprise bargaining however means different things to different people (Dabscheck, 1995). Broadly it can be taken to refer to negotiations between an employer and his/her employees (or their representatives) about terms and conditions of employment at the enterprise or workplace. Furthermore it is understood that those terms and conditions will be tailored to suit the particular needs of the enterprise and, ideally, will be designed to provide benefits to employees in exchange for increased productivity, flexibility and organisational efficiency (DIR, 1995a; 1995b).

In March 1994 the *Industrial Relations Reform Act 1993* (the 'Reform Act') significantly amended the *Industrial Relations Act 1988* (the 'Act') with the main purpose of encouraging more enterprise bargaining activity within the federal jurisdiction. To assist and promote the development and spread of workplace bargaining the federal government introduced the Workplace Bargaining Programme in mid 1994 to fund a range of enterprise bargaining projects. Since its introduction there have been six rounds of funding with around three hundred grants being

approved (Burke, 1996). Billanook College Ltd received a grant of \$31,500 in the third round of funding to assist with achieving a certified agreement for the teachers and school assistants employed at the College.

New educational philosophies, information technology advancements and a customer centred focus have served to initiate on-going and wide ranging reforms at Billanook. These reforms revolve around the nature of the services provided as well as the future direction of the College and have implications for the nature of teacher's work in particular. Enterprise bargaining has legitimated organisational change issues at the College. Although the *Billanook College Ltd Certified Agreement 1996* (the 'certified agreement') does not replace the *Independent Education (Victoria) Interim Award 1994* (AIRC, 1994a), it is, nonetheless, fairly comprehensive, addressing a range of issues in a manner reflecting the needs of the parties at the workplace. To understand how the parties arrived at certain conditions contained within their agreement, it is necessary to look at both the process by which the agreement was reached and the contexts in which enterprise bargaining was deemed an appropriate change strategy.

Organisational change is an iterative, muddled and discontinuous process rather than an event (c/f Dawson, 1994; Mintzberg, 1978; Pettigrew, 1985a; 1985b; 1987; 1990; Van de Ven, 1988). Organisational change is multifaceted involving political, cultural, incremental environmental as well as rational dimensions. Undertaking a process of organisational change is not as simple as completing a number of carefully planned steps and studies of organisational change cannot therefore be attempted at a single point in time nor abstracted from the multi-level contexts in which the change occurs. It is important that organisational change is studied as it happens so that the processes associated with change can reveal themselves over time and in context (Dawson, 1994). It is only recently that Australian industrial relations academics have taken an interest in processual and/or contextualist research with publications by Dawson (1994), Dawson and Palmer (1995), Fells (1995), and Patrickson, Bamber and Bamber (1995).

THEORETICAL FRAMEWORK

The objective of this paper is to overcome the criticism that most research on organisational change is "ahistorical, aprocessual and acontextual" (Pettigrew, 1985a:15). This case study is a narrative providing a "descriptive understanding" (Pettigrew, 1985b:242) of the outcomes of enterprise bargaining at Billanook. Such an understanding is required because the outcomes of change cannot be considered independently of the processes by which they were reached. Further the contexts in which change occurs give form, meaning and substance to the process. A contextualist mode of analysis is therefore adopted in this paper as "phenomenon at vertical and horizontal levels of analysis and the interconnections between those levels through time" (Pettigrew, 1985b:238) are drawn upon. The vertical level refers to the interdependencies between higher and lower levels of analysis upon phenomena to be explained at some further levels (ie. the impact of some socio-economic context change on features of the intra-organisational context and interest

group behaviour). The horizontal level refers to the sequential interconnectedness among phenomena in historical, present and future time. Contextualism facilitates being explicit in the understanding that power, chance, opportunism and luck play as equally influential roles in the process of organisational change as do design, negotiated agreements and masterplans.

It is beyond the scope of this paper to attempt to describe in full the process of enterprise bargaining at Billanook. Further, in order to reduce the complexity of this process, the case study only deals with those issues that pertain to teachers. Information gathered over the ten month period that the authors worked together at Billanook is drawn upon. Qualitative data were gathered through discussions and meetings with employees and management of Billanook as well as officials of the Victorian Independent Education Union; through participant observations of meetings with staff and the industrial relations working party; and through an analysis of primary archival and secondary material. The case study provides an 'exemplar' against which others can compare their experiences and gain theoretical insights (Dyer and Wilkins, 1991). The paper is organised into three sections: The first considers the case study organisation as well as the industrial and organisational contexts for change. The middle section describes the stage in the process of change where the terms and conditions contained within the draft certified agreement were determined. The final section details the outcomes and in conclusion these are shown to be dependent upon the process and context of organisational change at Billanook.

CASE STUDY

Billanook College Ltd

Billanook College Ltd is a Uniting Church School that operates in the outer eastern Melbourne suburb of Mooroolbark. The College commenced operation on the current site on February 1st 1980 with one hundred and fifty student and eleven staff members under the leadership of Dr Peter Harris, the current Principal. At the end of the 1995 school year there were nearly twelve hundred students from Prep to Year 12, and one hundred and sixty six full-time, part-time and casual members of staff. The staff numbers can be broken down in the following manner: one hundred and one Teachers; twenty six School Assistants; seventeen Clerical and Administrative Assistants; seven Grounds and Maintenance employees; three Caretakers; two Health Care workers; and nine managerial position. The College is governed by a School Council while the Principal, who is the Chief Executive Officer of the College, is responsible to Council. His role is to lead and administer the College. In performing his role he works closely with the Personnel Officer and the Senior Management Team, which consists of seven College directors. He is a visionary leader who is constantly challenging and allowing staff room to grow, develop and initiate ideas themselves. This has led to a culture of innovation at Billanook. There is a genuine expectation from staff of participation and involvement in program development and organisational changes. There is also a sense that 'we're all in it

together' with administrative and other support staff seen as integral, not peripheral, to the operation of the school.

In the fifteen years of Billanook's operation there has been an imperative for constant change and development. At the level of the school this imperative has been driven by Billanook's open entry admissions policy that requires a range of pathways to be developed to cater for student diversity. At another level it has also been influenced by national educational trends such as the development of a consistent and Australia-wide curriculum. Furthermore an increasing recognition of the need for accountability to the 'customer' is slowly seeing teachers accept notions of customer service that in the past would have been considered counter to professional culture (Brown, 1995) that is based on 'pedagogical content knowledge' (Calderhead, 1991). This has seen a move away from a teacher-centred model of educational practice to one that emphasises the student. The need to provide multiple student learning opportunities in the context of lifelong learning has been an international educational trend influencing change at Billanook. In late 1994 the Principal announced that there would be a review of the Senior School, with the objective of ensuring that the College continues to address the educational and personal development needs of senior students through educational delivery that is consistent with best practice.

The Industrial Context

In mid 1993 Billanook was logged by the Independent Education Union as part of a push to convert the award from the Victorian to federal jurisdiction. At the time it was argued by the employer association, the Association of Independent Schools Victoria, that a federal award would limit a Principal's capacity to maintain independence and negotiate employment conditions at the enterprise level to meet school needs. This position was supported by Billanook and a statement to that effect was submitted by the Principal to the Industrial Relations Commission hearing on the matter. However since no enterprise negotiations had commenced at Billanook, as was the case with some other independent schools, there were no grounds to argue for an exemption from the proposed federal award. Subsequently on 17th June 1994 the *Independent Education (Victoria) Interim Award 1994* (AIRC, 1994a) (the 'Interim Award') was handed down, to which the College is a respondent.

Following the decision the union quickly sought a declaration from the Industrial Relations Commission to begin a bargaining period. In independent schools a debate started about the desirability of different types of enterprise agreements. Enterprise flexibility agreements were strongly favoured by the employer association. However the union sought to establish certified agreements and schools were instructed by the Commission to enter into discussions. It was in this context that the Principal met with officials of the Victorian Independent Education Union and elaborated on his vision for the College. The possibility of the union joint partnering a project of workplace change, such as that which the proposed review would encompass, was raised. Further, the availability of funds from the Commonwealth Department of Industrial Relations through the Workplace Bargaining Program was mentioned. It

was in this context that a decision was made by the Principal and Personnel Officer to pursue a certified agreement in partnership with the union, which would formalise the outcomes of the proposed review. An application for a grant was made and in January 1995 the College was notified that \$31,500 had been allocated to assist with achieving a certified agreement to cover teachers and school assistants.

There was a steady flow of agreements, which were certified or approved for Victorian independent schools, following the declaration of a bargaining period. There were not, however, as many as the union expected. An assessment of the situation was made and a decision reached at the Victorian Independent Education Union Council (17th June 1995) to end the bargaining period. At much the same time the agreement about teacher salaries under Accord Mark VIII was announced by the Australian Council of Trade Unions and the federal government. This meant that the government would support an application from the national education unions (the Independent Education Union and the Australian Education Union) for a 7.48% pay increase for Victorian teachers. This increase would bring salaries into line with the prevailing rates in jurisdictions (particularly New South Wales, the Australian Capital Territory and Queensland) where enterprise agreements had been achieved (DEET, 1995). The adjustments were proposed to be paid in two instalments, the first 4% from the 1st July 1995 and the balance from the 1st November 1995.

An application was made by the Victorian Independent Education Union to convert the Interim Award into a First Award. The purpose of the application was to force employers, who had made no effort to begin enterprise bargaining, into action. The union proposed that the First Award would contain the 7.48% pay increase and would update, modernise and improve conditions for teachers. The union was also seeking to include terms and conditions for clerical and administrative employees in the proposed School Officer classifications. At the end of 1995 little progress had been made towards achieving the First Award and union officials anticipate a long fight before that process is completed.

The Process of Change

The Senior School Review began with a one day strategy planning workshop (12th December 1994) to determine the terms of reference. This was held off-campus involving the Principal, Directors of the Junior and Senior Schools, 'key players' in the senior school, members of the senior school staff and other interested staff members. It led to the formation of five working parties to examine the following issues: Curricula and Co-Curricular Pathways; Learning Technologies and Methodologies; Student Welfare and Pastoral Care; Resources and Space; and Industrial Relations. Recommendations from the working parties were to be made to the Education committee (a sub-committee of School Council) and their implementation was to be staged over the next three to five years. The Senior School Review was envisaged as an on-going process investigating and formulating guidelines for action in the areas outlined above, consistent with the philosophical basis of the College.

An examination of teaching and learning, curriculum, timetabling and teaching space, in an effort to move from a teacher-centred to a student-centred model of educational practice, was expected to have significant industrial relations implications. It was therefore central to the process that an Industrial Relations Working Party (the 'working party') was convened to address how terms and conditions of employment could be matched with the new paradigm. The working party was chaired by the Personnel Officer and the terms of reference were necessarily expanded beyond the senior school, as the focus on methods of promoting continuous improvement in the context of the Senior School Review would have wider implications for the whole College. Specifically this meant the following:

- Enhancing employees' skills, clearly defining their obligations and providing more satisfying and rewarding careers through the recognition of commitment to the on-going successful operation of the College.
- Providing continuous improvement of the College by identifying an efficient teaching model and enhancing teaching practice through a process of consultation and involvement in decision making.
- Assisting the implementation of a student-centred model of educational practice.
- Providing on-going opportunities for professional and personal development, particularly in the area of computer literacy so that information technology could be effectively incorporated into teaching practice and student learning experiences.
- Providing opportunities for promotion based on skill, experience and expertise.
- Facilitating the most productive and harmonious working relationship obtainable.

Ten staff representatives from all areas of the College's operation were elected to the working party. An officer of the Victorian Independent Education Union attended the first meeting of the working party (9th March 1995) where she indicated that the union would take a consultative and supportive approach to enterprise bargaining at Billanook. The union asked only to be kept informed of progress through copies of working party minutes, as they were satisfied that a union delegate would represent their viewpoint.

The majority of time in the first three working party meetings was spent coming to grips with enterprise bargaining and possible implications for staff, determining how the working party would operate and the responsibilities of each member. As none of the members had ever before had to deal with industrial relations in such a manner they were relieved to have the Personnel Officer as chairperson and she set the tone and direction that the process would take. In a sense this can be seen as an example confirming Warr's proposition (cited in Fells, 1995) that the dynamics of the process of workplace negotiations are of an organised management waiting for the worker negotiating team to get organised to deal with the issues 'on the table'. A representative from People Matters conducted a one day training session on the 24th March 1995 that focussed on communication, assertion and negotiation skills as well as goal setting in order to deal with the enterprise bargaining process. On this day the difference between principled negotiation and positional bargaining (Fisher and Ury, 1983) was outlined and all agreed that the former was more consistent with the prevailing organisational culture.

The most challenging task for the working party was determining what to include in the certified agreement. Initially it was envisaged by the Principal and Personnel Officer that all employees could be covered by a workplace agreement, or at least an agreement containing a set of conditions common to all employees with variations based on the specific nature of the work undertaken. However the requirements of sections 170MC(1)(a) of the Act, that employees terms and conditions of work must be regulated by one or more awards, meant that this was not possible. In Victoria, awards no longer exist. It was, therefore, not going to be an 'easy' task to cover employees, whose terms and conditions of employment were 'regulated' by expired state awards, with an agreement made in the federal jurisdiction.¹ At the third working party meeting, after much discussion about the nature of services provided by the school, it was agreed that the certified agreement for which the grant had been received would only cover terms and conditions of employment for teachers and school assistants. This was not to preclude considering other employees' terms and conditions, but the certified agreement would be the priority for the working party.

The requirements of section 170MC(1)(c) (grievance procedure), section 170MC(1)(d) (process of consultation), section 170MC(1)(h) (period of operation), section 170MK (effect of the certified agreement), and section 170ME (provision to make variations) of the Act meant that clauses dealing with these issues must be included in a certified agreement. Relevant clauses were drafted by the working party's research assistant and approved at the third working party meeting, as was a clause dealing with Occupation Health and Safety. Members requested that a clause dealing with Equal Employment Opportunity also be drafted to show the College's commitment to equity and social justice principles. An open answer survey was conducted of the staff as a result of the decision to undertake principled negotiations. This survey gathered information on staff interests that were then translated into industrial concerns. Forty-three surveys were returned. At the fourth meeting, on the 1st May 1995, the Chairperson moved that the terms and conditions to be the subject of negotiation for inclusion in the certified agreement be prioritised in the following order to promote a sense of progress with enterprise bargaining:

1. salary packaging;
2. flexibility in hours by first clarifying teacher workload issues such a face-to-face teaching hours and extent of other supervision duties;
3. time to be spent on Professional Development and times when whole school profession development can take place;
4. merit-based career structure enabling 'excellent' teachers to stay in the classroom;
5. family leave and other leave arrangements; and
6. a salary review to reflect the resulting productivity increases.

This was acceptable to members of the working party.

¹ In other situations such as this it can be possible for the AIRC to make an interim federal award that is based upon the 'expired' state award. This interim award can then be used as the base for the certified agreement under section 170MC(1)(a). The working party was deterred from taking this course of action because of the time, resources and union involvement it implied.

Salary Packaging

Salary packaging was a fairly uncontroversial issue because no-one had enough knowledge of what it entailed. The standard clause that appeared in most other independent school agreements was adopted. At a later date the clause was modified following an information session conducted by McMillan Shakespeare.

Flexibility in Hours

Flexibility in hours became a controversial issue as face-to-face teaching hours are not specified in any comprehensive fashion in the Interim Award. Face-to-face teaching hours and associated duties are potentially divisive issues about which teachers feel quite strongly. Additionally Primary and Secondary teachers in Victorian government schools had just gained a federal award (AIRC, 1995a) that dealt with the same issues and had implications for staffing arrangements in Independent schools. At Billanook timetabling is arranged on the basis of eighteen hours per week face-to-face teaching for secondary and twenty three hours per week for primary teachers with a further one hour per week of 'extras' or substitute classes. Moreover, there is an expectation that all staff be involved in the non-academic welfare of students. This entails staff undertaking duties in relation to pastoral care; supervision; attendance at meetings and other school events, such as sports carnivals, information evenings, parent-teacher interviews, drama productions and camps.

The changes implicit in the development of a student-centred model of educational practice involve teachers taking on a whole repertoire of teaching styles as well as providing a range of student learning opportunities within their teaching practice. In meetings Teachers continued to want clarification of their workload as well as reassurance that their conditions were not being eroded. They found it difficult to understand the amount of change required and they were not willing to think outside the parameters set down by the Interim Award. After much consultation and information-gathering a clause dealing with hours and duties was written into the draft agreement. This clause was later removed to a Memorandum of Understanding that accompanies the certified agreement, after the union put the proposition that teachers were locking themselves into a set of conditions that may later not be to their benefit.

Professional Development

Professional development is recognised as critical to the career growth of staff and a means of effecting continual improvement at the College. Part of the hours debates included the amount of time that teachers should spend on professional development. A storm erupted when it was proposed by the Chairperson (17th August 1995) that teachers should consider using some of their school holidays (annual leave) for professional development. This is an issue which continues to arise year after year in schools but is never satisfactorily resolved. Teachers in

independent schools 'enjoy' their eleven weeks of school holidays as annual leave - it's written in the award. Government school teachers however only have four weeks recreation leave and can expect to be recalled over the school holidays, even though this rarely occurs.

After much discussion, members of the working party could see the value of the proposal to themselves and the College as long as it was quite definite when the such professional development would take place (which term holidays) and that six months notice would be given, but they were unable to convince other teachers. This proposal resulted in staff agreeing to use half of their thirty hours per year of professional development within their own time. There was however little debate or concern from teachers about the amount to be allocated to professional development. The Chairperson's proposal that three per cent of the pay-roll should be allocated to professional development was accepted by staff. This increase of 1.5 per cent was seen as necessary if staff were to implement recommendations from the Senior School Review, especially the integration of information technology into teaching practice.

Career Structures

The issue of parity in career structures between the public and private education sectors is an important one if the College is to retain and attract valued teaching staff. In 1995 the Victorian Directorate of School Education offered teachers the ability to join their Professional Recognition Program as part of the Schools of the Future initiatives. This introduced a new four level merit-based career structure that allowed skilled teachers to stay in the classroom yet gain Principal class salaries (up to \$51,700 with a further ten per cent enhanced remuneration available). The Directorate also offered teachers a six per cent over award payment in order to attract teachers to sign across to the Professional Recognition Program.

In Independent education there is a twelve point salary scale which then has two possible career paths for teachers. Leading Teacher (Administration) is a position of responsibility that attracts an allowance ranging between \$513 and \$2,593 depending upon the size of the school and level of responsibility. A teacher can earn the maximum salary of \$42,375 under the interim award, although this is higher at Billanook as substantially higher allowances are currently paid as unregistered overaward payments. Leading Teacher (Classroom) has two levels: Level 1 is a reward based primarily upon service, while Level 2 is a tenured position that essentially takes experienced teachers out of the classroom.

A proposal was put and accepted by the working party that the Leading Teacher (Classroom) structure be reformulated to reflect merit and teaching excellence rather than service and a third level be introduced using the Directorate structure as a benchmark. A document to this effect was written to which staff gave in-principle support as long as the eligibility criterion that teachers be employed at Billanook for a minimum of one year was included (this was a back down from two years).

Leave

The main issue with leave was rolling together a number of award provisions to satisfy the intention of the *Family Leave Test Case decision* (AIRC, 1994b) and the *Personal/Carers Leave Test Case decision* (AIRC, 1995b). A clause that created a general entitlement to twenty days per year (of which fifteen days per year are cumulative and five non-cumulative), which could be accessed to cover a range of purposes, was acceptable to staff.

Salary Review

The issue of a salary review was not openly considered by the working party until the 7.48% pay claim was announced. Once this occurred staff saw this amount as 'a right' and anything less was unacceptable. They neglected to consider that this amount was for both public and private teachers and that their colleagues in Victorian government schools took more face-to-face teaching hours, took larger classes and worked a longer teaching year. At different staff meetings motions put by the Personnel manager seeking phased increases were lost, as were motions about trading face-to-face teaching hours for wages. It was at this point in time that the whole bargaining process nearly died.

Sixty eight per cent of the College's annual budget is allocated to wages and a costing of the 7.48% increase came to \$350,000, an amount for which management had not budgeted. However, when the motion was passed to increase school fees by five per cent at the August school council meeting, staff received a signal that the school WAS prepared to pay the increase. A five percent fee increase was enough to cover a possible 7.48% salary increase.

The Outcomes or Multiple Consequences of Change

The working party had a draft agreement prepared by the end of term three (22nd September 1995). This document was distributed to all staff concerned over the term break for consideration and comment. Events began to move more quickly from this point forward, prompted more by industrial issues emanating from the national and state level than the contents of the draft certified agreement. The combined national education union's pay claim and the Victorian Independent Education Union's application for a First Award buoyed teacher's confidence. The issues generated an interest in industrial relations that had previously been absent and revived a "them and us" attitude to industrial relations. This led to staff wanting to present an ambit claim to management that would have negated the effort and work of their elected representatives on the working party. It was at this point the parties were frustrated with the whole process and felt ready to give it away. These difficulties were resolved through continual consultation, discussion, debate (at times quite heated) between staff, the Personnel Officer, union officials and the working party, and four meetings of the whole teaching staff where a number of motions were put and voted upon (the majority of which dealt with the pay increase and workload issues).

However the information session conducted on the 9th October 1995 by McMillan Shakespeare about salary packaging certainly assisted with creating the impetus to finalise the certified agreement. Teachers learned they were 'rebatable employees' within the meaning of the Tax Act, which meant that a carefully packaged salary could increase their pay by five to seven per cent. Teachers started coming to the Personnel Officer asking her to organise meetings with the company who were going to manage the salary packaging. Some became quite upset when they learned it was not possible until the agreement was certified.

It took six meetings between the Principal and Treasurer of Council (representing the employer) and six members of the working party (representing staff), which were facilitated by the Personnel Officer, to negotiate the agreement. Negotiations commenced with an unconditional offer from the employer of an eight per cent pay increase in four instalments of two per cent each (this represents an increase of 8.24%). This offer was immediately accepted by the employees, as it was more than they had anticipated. Pay increases this large are the exception in any industry (ADAM, 1995:5) especially when the increase is not tied to any significant changes in working-time arrangements.

The goodwill generated by the pay offer permeated the rest of the negotiations. Clauses dealing with leave, salary packaging and workload as well as the financial support for professional development were agreed to without much debate and with only minor modifications being necessary. The Leading Teacher (Classroom) structure emerged as the key issue for the employer. In-principle support was given to the concept of a merit-based career structure, but agreement was only reached on the inclusion of the new merit-based Leading Teacher (Classroom) Level 1 in the agreement. The employer felt that the Leading Teacher (Administration) career structure needed to be reviewed in a similar fashion to the Leading Teacher (Classroom) pathway. The parties therefore agreed that the introduction of Leading Teacher (Classroom) Level 2 and Level 3 would be contingent upon such a review, which was proposed for 1996. Changes were made to the draft agreement to reflect the outcomes of these negotiations.

On the 1st December 1995 a ballot of staff was conducted to accept or reject the agreement. Ninety five per cent of the staff voted to accept the agreement. With such a return the union was satisfied that staff understood the contents and implications of the agreement and the President was happy to sign the agreement, on behalf of all teachers and school assistants at Billanook. The Principal, as the representative of the employer also signed the agreement and in late December 1995 it was sent to the Industrial Relations Commission to await certification. In February 1996 the agreement was certified without any changes needing to be made. Appendix 1 provides a brief summary of the main terms and conditions contained within the certified agreement.

CONCLUSION

Billanook's mission is to facilitate and enhance student learning outcomes through the provision of a comprehensive range of teaching and learning programs that accommodate different learning styles while taking into account issues of social justice, equity and diversity. The mission reflects Billanook's open entry admissions policy. The College's culture of innovation means that change is a result of staff being continually challenged by a tension between traditional ways of thinking and the trialing and testing of new modes of operation. The decision to pursue a certified agreement, a process which requires continual communication and consultation, affirms the staff expectation that they are to be involved in organisational changes.

Although the process of enterprise bargaining at Billanook was lengthy, it served to educate staff about industrial relations issues. By involving as many people as possible in the process through the working party, meetings and information sessions, staff were encouraged to take responsibility for their own terms and conditions of employment in light of the particular circumstances and requirements of working for Billanook. Negotiations conducted openly and in good faith enhanced staff relationships, as well as relationships between staff and management.

The Billanook College Certified Agreement is likely to serve as a benchmark for other Victorian independent schools. Elsewhere in the industry terms and conditions have not been dealt with in such a comprehensive fashion, while pay increases this large have not been negotiated. The pay increase ensures that Billanook College is now paying the second highest salary to teachers out of the one hundred and thirty independent schools covered by the Interim Award (the highest pays 12.5% above the award (Rollins, 1996)).

The development of the Leading Teacher (Classroom) model, which is based upon merit and excellence in classroom teaching rather than service, can be seen as innovative for the industry. Teachers can access Leading Teacher (Classroom) Level 1 after seven years of teaching (if four years trained) or nine years (if three years trained) rather than waiting until they reach Level 12 of the award salary scale and have sat there for twelve months. The in-principle commitment by the parties to the phased introduction of Leading Teacher (Classroom) Level 2 and Level 3 was made in the context of a future review of the Leading Teacher (Administration) career path. Further, the commitment to professional development, outlined in terms of financial support from the College and hours which staff must devote to professional development activities, is also significant. These aspects reflect the organisational culture and will facilitate the introduction of future organisational changes.

Consultation between Principal and staff and/or union is not the norm in independent education. This can be evidenced by first, the number of enterprise flexibility agreements that have been approved for Victorian independent schools, and secondly, the unwillingness of parties to either certified or enterprise flexibility agreements in the industry to include such consultative procedures. The inclusion of a clause in Billanook's certified agreement setting up a consultative committee, and the procedure for its operation, draws upon both College and staff expectations that

all are to be involved in organisational changes. Clauses dealing with dispute resolution, Occupational Health and Safety and Equal Employment Opportunity clearly communicate the College's commitment and adherence to the requirements contained within the relevant pieces of legislation. They also reflect and promote the College's underlying social justice and equity principles.

Organisational change at Billanook is not an event but an on-going process. Enterprise bargaining and the use of a certified agreement to formalise outcomes of organisational change, has given change issues a legitimacy they may have otherwise been denied. The case study shows that organisational change cannot be considered as an isolated event. It shows that organisational change has historical and cultural antecedents as well as consequences that permeate the multiple levels of context and stretch through time. The case study reveals that the interplay between the process of change and the context, particularly the industrial context of the organisational change, has shaped the outcomes of enterprise bargaining at Billanook College.

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Billanook College Ltd Certified Agreement 1996.

Billanook College Ltd Memorandum of Understanding 1996.

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Mutabazi, C., and Barrett, R. (May 1995). '*Billanook College Certified Agreement: Progress to Date*'.

Mutabazi, C., and Barrett, R. (July 1995). '*Billanook College Certified Agreement: Progress to Date*'.

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Minutes

Industrial Relations Working Party Meetings

9th March 1995; 14th March 1995; 24 April 1995; 1st May 1995; 11th May 1995; 15th May 1995; 19th May 1995; 29th May 1995; 19th June 1995; 7th August 1995; 17th August 1995; 28th August 1995; 11th September 1995; 14th September 1995; 2nd October 1995; 12th October 1995; 16th October 1995; 8th November 1995.

Staff Meetings

30th March 1995; 17th May 1995; 9th October 1995; 18th October 1995; 25th October 1995.

Negotiations

8th November 1995; 14th November 1995; 16th November 1995; 21st November 1995; 23rd November 1995; 27th November 1995

Appendix 1: Certified Agreement (and Memorandum of Understanding) Terms

Professional Development	1.5% pay-roll for general professional development and 1.5% for professional development related to change from the Senior School Review. Memorandum of Understanding: Teachers minimum of 30 hours per year of professional development.
Leading Teacher (Classroom)	Introduction of new merit based Leading Teacher (Classroom) Level 1 positions - allowance of \$1500 per year (on top of salary). Memorandum of Understanding includes commitment to phased introduction of merit based Leading Teacher (Classroom) Levels 2 & 3 upon review of Leading Teacher (Administration) structure and allowances.
Wages	8% increase in 4 instalments of by 2% on dates: 1st December 1995; 1st March 1996, 1st July 1996 and 1st November 1996.
Salary packaging	Ability to package salary.
Face-to-face teaching	Term in the Memorandum of Understanding: no more than 18 hours per week (Secondary) and 22 hours per week (Primary).
Supervision Duties	Memorandum of Understanding: no more than 180 minutes per week.
Replacement Classes	Memorandum of Understanding: no more than 10 classes per term and no more than 3 classes per fortnight.
Long Service Leave	Award term and pro-rata after 7 years.
Paid Leave	Sick/Family leave = 15 days per year cumulative. Compassionate/Exam/Removal = 5 days per year non-cumulative.
Leave without Pay	Unpaid leave can be used for Family/Carer's leave purposes. Family defined to include single sex families
Consultative Committee	Membership; meeting times; scope of matters to be discussed; procedure for circulating agenda, minutes and recommendations.
Dispute Resolution	Scope of matters covered; procedure for resolving any disputes.
Equal Employment Opportunity	Term affirms commitment to Equal Employment Opportunity principles and College's Affirmative Action policy.
Occupational Health and Safety	Membership of Occupational Health and Safety committee; scope of matters to be discussed; procedure; responsibilities of employer and employees.