The Many Meanings Of Cooperation In The Employment Relationship And Their Implications

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Abstract

Cooperation in the employment relationship continues to be a widely-lauded goal, but academics, practitioners and policymakers rarely define cooperation. This is problematic because while cooperation generally means working together on common goals, a lack of clarity is a significant barrier to academic discourse and practical implementation in many organizations and countries. Our paper therefore carefully develops a framework of six key perspectives on cooperation rooted in five assumptions. This reveals that genuine cooperation is confined to just two of these types, collaborative pluralism and consultative unitarism, with other perspectives seeing cooperation as unnecessary or unwise. A dynamic analysis of these six perspectives further demonstrates the challenges of transitioning to either of the two cooperative regimes and then sustaining such cooperative regimes.

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1. INTRODUCTION

Cooperation in the employment relationship is a concept and a practice that is widely considered desirable by academics, practitioners and policymakers alike. Despite its widespread use and popularity, however, cooperation is rarely defined. This is particularly problematic because cooperation means very different things to different people which results in inconsistency and confusion, creating a barrier to productive academic discourse and hampering the implementation of cooperation in practice.

This paper attempts to shed some light on the meaning of cooperation. The paper begins with a brief definitional discussion (in section 2 below). Section 3 identifies and explores six perspectives on cooperation through the development of a multi-dimensional typology. A key revelation is that a person's conception of cooperation depends on their underlying values and assumptions about the nature of the employment relationship. Section 4 then offers a more dynamic approach to the different perspectives on cooperation through a 'cooperation curve', depicting the challenges of creating and sustaining cooperation in practice. The final section 5 briefly summarises the argument and considers the implications for future research and practice.

2. THE WIDE EMBRACE BUT LACK OF DEFINITION OF COOPERATION

Whether phrased as 'workplace cooperation,' 'employee cooperation,' 'labour-management cooperation,' or in other ways, cooperation is supported by a wide range of commentators in diverse contexts. To provide a few practical examples, a conservative, largely anti-union employer association in Australia claims that underpinning all its activities is '…the fundamental belief in direct, cooperative and mutually rewarding employment relationships. [Our association] believes that such relationships at the enterprise level are the best way to

achieve efficient and productive workplaces' (AMMA 2007). A Volkswagen executive in America recently stated that 'The Volkswagen Group is proud of its record of cooperation and co-determination between employees, management and the communities in which we live and work…it is a business model that helped to make Volkswagen the second largest car company in the world' (Chattanoogan.com, February 8, 2014).

Public policymakers also champion cooperation, such as the European Union's Commissioner for Employment, Social Affairs and Equal Opportunities boasting about a report that demonstrated the growth of employer-union cooperation: 'We are seeing more and more new forms of cooperation between European employers and trade unions which bring concrete results for working people across the EU. In the evolving world of work, social partners are ideally placed to promote adaptability and to take measures for quality employment' (European Commission 2006). The International Labour Organisation (ILO) promotes cooperation in many domains, including its recent high profile 'Sustaining Competitive and Responsible Enterprises' (SCORE) initiative, which is a modular training program focusing on developing 'cooperative relations at the workplace'. Cooperation is also lauded in national public policy and central to labour legislation in many countries; cooperation has been a key 'object' in the main labour laws of Australia for decades, irrespective of the political complexion of the government of the time (Stewart et al. 2014). None of these practitioner/policy commentaries offer any definitions, but it is unlikely they all mean the same thing when they applaud cooperation in the employment relationship.

Within academic circles, there is a long tradition of industrial relations research focusing on cooperation and related concepts. In the USA, John Commons (1919) wrote about 'industrial goodwill', while Kaufman (2008: 329) argues more broadly that 'cooperation' was the 'single most used word' in American debates about industrial relations in the 1920s (see also

Jacoby 1983). During the 1940s and 1950s, the National Planning Association published a series of studies on 'industrial peace' in the context of collective bargaining (eg. Golden and Parker 1955), while later accounts focused on 'integrative' or 'cooperative' bargaining (Walton and McKersie 1965). More recent accounts, such as the 'mutual gains enterprise' (Kochan and Osterman 1994), focus on the cooperative process and especially its implications for organisational performance and employee rewards (eg. Kochan et al. 2009). The British literature is less extensive, although 'joint consultation' became an important policy and research topic during and immediately after the world wars (Clegg and Chester 1954; Hall and Purcell 2012). Apart from one study of 'industrial peace' in the 1970s (Goodman et al. 1977), cooperation did not again become a central focus of research until a stream of projects on union-management 'partnerships' that resulted from their promotion by the Blair Labour government (eg. Stuart and Martinez Lucio 2005; Johnstone et al. 2009). We could find no clear or widely-accepted definition of workplace cooperation in this literature. As in practitioner usage, 'cooperation' is much used but rarely defined.

There is also a long history of research in management and human resource management in both the USA and Britain that reflects in one way or another on cooperation. In the early decades of the 20th century, Taylor (1911, p. 26) argued that '…close, intimate, personal cooperation between the management and the men (sic) is of the essence of modern scientific or task management.' Analyses of the emergence in the 1980s of the human resource management approach to managing employees is another example in which cooperation is important:

> 'A key objective of new management strategies and reform of the employment relationship was to "win the hearts and minds of employees" and to secure their cooperation and support of new business objectives. The popular cliche "people are our most important asset" is indicative of organisational recognition that control and

compliance is often insufficient for survival, and that the active cooperation and commitment of employees is a valuable resource offering the key to achieving a "competitive edge"' (Boyd 2001, p. 438).

More recently, similar preoccupations can be found in literatures on 'high commitment workplaces', 'high involvement organisations' and 'employee engagement', but again, despite the widespread support for and appeal to the virtues of cooperation, we could find no serious attempt in these managerialist literatures to clearly define cooperation or develop systematic analysis of its component parts.

3. DEFINING COOPERATION AND ITS KEY CHARACTERISTICS

There are many possible reasons for the lack of definitional clarity on the concept of cooperation, but we believe a major one is the (perhaps surprising) complexity of the concept and the many different and often competing perspectives on what cooperation means and how it can/should be advanced within the employment relationship. In the context of such diversity, in this paper we adopt a broad definition and turn to exploring more systematically the different meanings, manifestations, causes and consequences within its broad boundaries. Our definition of cooperation is a simple one: *'working together to the same end'*. Cooperation in the employment relationship is therefore defined as 'managers, workers, and their representatives, if any, working together towards the same end'.

This broad definition, however, needs qualification and amplification. First, 'working together' involves on-going 'relationships' that operate over a period of time rather than specific 'events' or 'transactions'. These relationships involve interaction between 'managers, workers and their representatives, if any', but this leaves considerable space for variation about 'who' is involved in cooperation, with the nature of the employment relationship actors and the role of worker representatives being key points of differentiation.

The definition also leaves open questions about 'the same end' that is being pursued through cooperation. The reciprocity that is usually associated with cooperation infers mutual benefit and some responsibility by each party for the goals of 'other' parties. But the nature of these goals, the level of mutual benefit, and the degree of responsibility for others' goals are all contested issues. Much of the literature on workplace cooperation, for example, argues that deep cooperative relationships involve engagement by the parties on a wide – rather than narrow – range of issues, but it's not always clear that these issues always include the goals of both parties. Finally, the definition says nothing about 'how' the parties work together: what are the structures and processes of cooperation? This silence allows different perspectives to privilege different mechanisms.

Our attempt to deconstruct the broad concept of cooperation and analyse the competing perspectives on cooperation within the employment relationship begins with Budd's typology of values, assumptions and theories underlying industrial relations (Budd and Bhave 2008; Befort and Budd 2009). This analysis, which expands upon Fox's earlier work (1969, 1973), identifies four main perspectives: egoist, unitarist, pluralist and critical. We argue, however, that much of this previous conceptual work has been preoccupied with understanding conflict in the employment relationship rather than cooperation (more broadly, see Avgar and Owens 2014). A focus on cooperation (rather than conflict) leads us to split the pluralist and unitarist categories, creating a total of six perspectives. Each perspective's overarching view of employment relationship cooperation is presented in Table 1. It is clear that the six views on cooperation are different from each other, and only two of them actually meet our definition of cooperation.

INSERT TABLE 1 ABOUT HERE

Together, these perspectives constitute a typology or taxonomy, which is 'a classification scheme designed for a particular purpose that groups together events or phenomena on the basis of similar characteristics' (Lewins 1992). To better understand this taxonomy, and the resulting perspectives on cooperation, it is important to explicitly identify the key characteristics that distinguish these six perspectives. We believe that five key characteristics are needed to distinguish these perspectives:

3.1 Who is working together?

Managers and workers must, of course, work together in all work organisations, so this could be seen as a common feature across all perspectives on cooperation. A more nuanced analysis, however, finds important differences across the perspectives on the nature of the parties involved in cooperation. A critical perspective highlights the class nature of the parties to the employment relationships whereas a market-centric view sees the parties as atomistic agents who contract which each other when it is in their self-interest. Moreover, the perspectives differ on whether managers deal directly and solely with workers, or whether other parties are involved in the cooperative relationship, specifically organisations representing managers or workers. For some, cooperation is considered only to be possible between individuals, whereas in other views collective organisations are potential, or even desirable, participants. These views are related to whether unions are seen as a collective body of the organisation's workers or as 'third party' outsiders.

3.2 The compatibility of interests?

This characteristic focuses on the aims of the parties and the extent to which they are compatible or mutually-achievable, thereby affecting the potential for cooperation. There

are considerable differences (if not confusion) in the terminology used to describe these aims, ranging variously across interests, goals, concerns, objectives, needs, wants and motivations. Like Budd and Bhave (2008), we adopt the term 'interests', which, following Jary and Jary (1991, p. 321), is defined as:

> '…the particular social outcomes held to benefit a particular individual or group. Such interests may be those recognised and pursued by the person or group, or they may be identified by others, including social scientists, as underlying or 'objective' interests unrecognised by the person concerned.'

Consistent with this definition, we argue that the six perspectives bring different assumptions about the interests of the parties, especially in the extent of compatibility between the interests of the parties. These differences are identified by social scientists and/or the parties themselves who adopt the respective perspectives. At one end of the spectrum are laissez-faire views in which employers and employees will form and continue a relationship only when their interests are compatible, while critical views at the other end of the spectrum assume that employers and employees need each other, but have interests that are sharply antagonistic rather than compatible. In between are varying views on the nature of overlapping and conflicting interests among the parties to the employment relationship.

3.3 How much reciprocity?

Reciprocity is the extent to which each party recognises as legitimate, and accepts responsibility for addressing, the interests of others. At either end of the conceptual spectrum are views in which employers and employees are largely responsible for their own interests, while in between are varying degrees of acceptance of the legitimacy of and mutual responsibility for employment relationship interests. The extent to which

trade unions foster or hinder the achievement of reciprocity is another element that separates alternative views. At either end of the spectrum are views that criticise trade unions as unnecessary impediments to good management, the competitiveness of the enterprise or the economic prosperity of the nation (eg. Fox 1969, pp. 402-6), and views that criticise trade unions for failing to advance the interests of their members by being too close to management (Oxenbridge and Brown 2004). These extreme positions – and many others that lie in between – reveal different assumptions about how much responsibility parties to the employment relationship should take for the interests of other parties, and the role of trade unions in this dynamic. The alternative views, in turn, underlie different perspectives on cooperation.

3.4 Cooperation over what issues?

Traditional characterisations of the employment relationship vary in the range of issues (ie. aspects of the employment relationship) on which they expect the parties to cooperate. Fox's (1969) account of pluralism, for example, saw unions as having a legitimate role in issues beyond the economic in 'regulating *managerial* relations, that is, the exercise of management authority in deploying, organizing, and disciplining the labour force after it has been hired' (Fox 1969, pp. 397-8). At the same time, he also argued that '…the degree of common purpose which can exist in industry is only of a very limited nature' (Fox 1969, p. 392).

In characterising the differences between the six perspectives on the issues appropriate for cooperation, we adopt the distinction developed by Edwards et al. (2006) between 'control' and 'developmental' concerns, the latter providing stronger ground for cooperation than the former:

'Control concerns have to do with rights and power in day-to-day relations, that is, the regulation of the forces of production as they are at a given time, in a given context…[including] the effort bargain, but also working conditions, how far the managerial right to hire and fire is limited, and so on. Developmental concerns relate to the pursuit of potentially shared objectives, in spite of the structural division (and underlying conflict) between capital and labour. Once this division is acknowledged, the agents may negotiate compromises and regulate production in ways that generate surplus value and foster the reproduction of the employment relationship over time... Developmental concerns address the issue of efficiency as reflected in the reorganization of work, training, and the development of skills, technological change, or organizational innovation more generally.'

Different positions on control and developmental issues are helpful in characterising the different perspectives on cooperation within the employment relationship.

3.5 *How is cooperation constructed? The structures and processes of cooperation*

Cooperation between the parties must be pursued through certain structures and processes, and the different perspectives on cooperation privilege some mechanisms over others. Some commentators argue, for example, that cooperation is best advanced through one-on-one conversations between individual employees and their supervisors (Francis et al. 2013). Others see the unilateral decisions of management on human resource management policies as the appropriate method by which organisations develop cooperation between employees and managers. Still others look to joint consultation committees, works councils and/or interest-based problem-solving groups as the natural structures and processes for nurturing and sustaining cooperation. Invariably, these mechanisms are consistent with the broader perspectives on cooperation of which they are a part.

4. SIX PERSPECTIVES ON COOPERATION IN THE EMPLOYMENT RELATIONSHIP

Having explained the criteria used to distinguish the six perspectives on cooperation, we can now describe each of them in turn. We provide examples of empirical studies consistent with each perspective, where possible. Recall that each perspective is summarized in Table 1; the main characteristics that provide the foundation for the six perspectives are summarised in Table 2. We begin by examining the assumptions on cooperation underpinning the perspectives at either end of the continuum – a market-based or egoism perspective, and the radicalism or critical perspective.

INSERT TABLE 2 ABOUT HERE

The egoist (or market) perspective is 'rooted in the pursuit of individual self-interest by rational agents in economic markets' (Budd and Bhave 2008, p. 102). The parties are highly individualised. It matters little whether there is any initial incompatibility of interests because only workers who have accepted the organisation's goals will enter the employment relationship. In this way, cooperation within the employment relationship is unproblematic because employees have voluntarily embraced a common interest with employers as a result of negotiations and agreement between the parties: employers provide the specified rewards to employees, while employees agree to work under the direction of the employer. Conflict is illegitimate in that it will only arise from opportunism when either side breaches, or is accused of breaching, the terms of the implicit or explicit employment contract. This emphasis on market transactions means that egoism has little to say about how cooperation within the enterprise is secured after the agreement is struck. Rather, cooperation is best seen as self-interested compliance.

The <u>critical</u> (or radical) perspective is 'rooted in the power and control interests of employers and employees' (Budd and Bhave 2008, p. 104), which are inevitably in conflict. The parties are conceived in class terms rather than individuals or representative organisations. The interests of employers and employees a necessarily separate – indeed, irreconcilable – and neither side can be expected to take responsibility for the other. Some accommodation of each other is needed because employers and employees need each other, but this is better seen as part of a continual tension between accommodation and control where control rather than consent is superior. As such, cooperation in the (capitalist) employment relationship is seen as illegitimate because it is seen as enforced compliance. It is just another mechanism by which managers control workers. It is the result of the exercise of uneven power (in the labour market and in the labour process) and it further reproduces power imbalances and the control of workers. Empirical studies in the critical tradition focus on the control strategies by which employers 'manufacture consent' (Burawoy 1979) and caution that the outcomes of cooperation between managers and employees have often failed to genuinely benefit workers (eg. Kelly 2004; Bacon and Blyton 2006), and arguably could not deliver genuine mutual gains.

The remaining four perspectives – two versions each of pluralism and unitarism – treat cooperation differently. Pluralism – by definition – demands recognition that the interests of employees and managers within the organisation are mixed: while some are common, many are separate (Budd and Bhave 2008). Pluralism further requires that this potential for conflict, which is inherent to the structure of organisations under capitalism, is legitimate and accepted on both sides. These minimal requirements, however, leave open a range of pluralist possibilities, from entrenched antagonism to warm cooperation. This continuum is revealed in practices like collective bargaining. Some bargaining relationships are highly adversarial, even though representatives of both sides recognise each other for bargaining purposes.

Without challenging the legitimacy of their 'opponents' and always expecting that agreement will eventually be reached, each side often keeps the other at 'arms length' in low-trust relationships. In contrast, other bargaining relationships are better characterized as 'labor-management' or 'union-management' partnerships, where both sides embrace cooperation, agreeing to share decision making on a wide range of issues, either through collective bargaining or other mechanisms of joint determination (Kochan et al. 2009; Avgar and Owen 2014). The diversity within pluralism can be constructively captured by two separate pluralist perspectives on cooperation: adversarial pluralism and collaborative pluralism.

In <u>adversarial pluralism</u> there is a recognition and acceptance that managers, employees and their representatives (usually unions) are legitimate parties to cooperation, with mixed goals – sometimes shared and sometimes separate – but an emphasis on the distinctiveness of each party's goals. While the parties acknowledge the legitimacy of the 'opponent's' interests, they see no responsibility to address or defend those interests beyond what is required to maintain the relationship. In this way, opportunistic 'wins' to the detriment of the opponent's interest will be seized as an acceptable, indeed desirable, outcome when circumstances permit it, but not to the extent of threatening the legitimacy or existence of the other side. The key distinction on issues is between matters that are subject to bargaining, and therefore jointly determined, and those which are left to management to decide unilaterally. The structures and processes of interaction between the parties are joint, mostly associated with traditional distributive collective bargaining, which reflects limited genuine cooperation between the parties. Adversarial pluralism is probably the most commonly practiced form of pluralism, especially in 'liberal market' economies like the USA, Britain and Australia, although the collapse of union membership and the decline of collective bargaining is reducing its prevalence overall (Doellgast and Benassi 2014).

In <u>collaborative pluralism</u> there is a recognition and acceptance that managers, employees and their representatives (usually unions) are legitimate parties to cooperation, with mixed goals – sometimes shared and sometimes separate – but an emphasis on common interests and mutual gains. It assumes a preparedness of each side to take some responsibility for addressing the interests of the other side. While traditional bargaining may be used to resolve distributive issues, matters of common interest are more likely to be integrative bargaining, problem solving and/or co-determination. Collaborative pluralism is less frequently implemented or sustained than adversarial pluralism, but is much studied; examples include various types of 'partnerships' between unions and employers in the USA (Kochan et al. 2008, 2009), Britain (Johnstone et al. 2009) and Australia (Townsend et al. 2013).

Unitarism, as defined by Budd and Bhave (2008), rests largely on a denial of fundamental conflict between employers and employees because of the widespread embrace of the ability to create mutual gains, and an assumption that management represents the only legitimate source of authority within the organisation. As with pluralism, the minimal requirements of unitarism leave open alternative perspectives that differ considerably on the extent and type of cooperation within the organisation (see also Cullinane and Dundon 2012). We identify two separate perspectives that capture the key variants: autocratic unitarism and consultative unitarism.

In <u>autocratic unitarism</u> the employment relationship is the province solely of managers and employees, with no role for 'third parties'. It assumes employee and employer interests to be inseparable and expects employee cooperation to flow naturally from the directions of managers. This autocratic vision allows managers to rely on property rights and superior knowledge and expertise to make unilateral decisions to advance organisational goals. Employees will comply with the directions of management – and employee compliance lies

at the heart of this form of cooperation – because they are assumed to benefit when the organisation prospers. In this way, management is solely responsible for the achievement of organisational goals and the determination of most issues. Examples of autocratic unitarism abound, including companies like Foxconn in China (Chan et al. 2013).

In <u>consultative unitarism</u> the employment relationship is again seen as the province solely of managers and employees, with no role for 'third parties'. However this is a more consultative and inclusive form of unitarism – indeed, cooperative – because management actively seeks to align employee and management interests, rather than assuming they will automatically resolve. It is therefore management's responsibility to lead the organisation and to understand employee preferences on a wide range of issues through structures and processes such as employee attitude surveys, counselling of employees and performance management. Managers then develop organisational policies designed to meet employee expectations and aspirations. The mining giant, Rio Tinto, could be interpreted as approaching human resource management in this way, although this is contested by critics (Hearn Mackinnon 2012; see also AMMA 2007).

5. THE CHALLENGE OF ACHIEVING AND SUSTAINING COOPERATION

The discussion of the six perspectives in the previous section is valuable because it makes different perspectives on cooperation explicit, and carefully roots these differences in five key characteristics. In this way, we can better appreciate why there are different schools of thought on cooperation with such distinctive views. In turn, this provides two important ways for developing a better understanding of why cooperation is so difficult to implement and sustain in practice. The first way is fairly static—that is, different participants in the employment relationship can have very different views on cooperation (recall Table 1) due to fundamental differences in assumptions (recall Table 2). So cooperation is a contested idea,

and cooperation is hard to implement when the parties lack a shared vision and common understandings.

Moving beyond this static approach provides a second way to understand the difficulty of implementing and sustaining cooperation. In other words, a dynamic consideration of the tensions across different forms of cooperation helps reveal how there can be a natural tendency to move away from cooperative employment relationships unless great attention is devoted to maintaining cooperation. We capture this more dynamic and nuanced account by locating the six perspectives on what we call a 'cooperation curve', depicted in Figure 1. The vertical axis in the diagram is the degree of cooperation in a given employment relations regime: the higher the position on the axis, the more cooperation. The horizontal axis indicates the degree of integration or separation of interests. The centre of the horizontal axis represents an integration of employer and employee interests with a high degree of mutual gains. The further from the centre in either direction, the less integration and greater separation of the pursuit of employer and employee interests. The curve itself is designed to represent a continuum, along which the six discrete types represent important points, but the boundaries between these points are porous and there is a recognition that 'hybrid' positions might lie between the points.

INSERT FIGURE 1 ABOUT HERE

On the left-hand side of the curve, radicalism rejects cooperation between workers and management, whilst privileging workers' interests, possibly to the exclusion of employer interests. Adversarial pluralism entails the recognition of both worker and employer interests, but cooperation is limited because of an ongoing contest over the distribution of rewards, often undertaken through traditional collective bargaining. Significant cooperation is only

evident in cooperative pluralism, in which genuinely pluralist mechanisms have the potential to deliver mutual gains for employees and employers.

On the right-hand side of the curve, egoism sees cooperation as unproblematic, because employees are assumed to have agreed to follow the directions of management when they negotiated and accepted their employment contracts. Under autocratic unitarism, cooperation is essentially employee compliance with the unilateral dictates of management, again suggesting levels of cooperation that are modest at best. It is only cooperative unitarism that suggests any significant cooperation between workers and management, achieved through active efforts by managers to elicit worker concerns and secure cooperation by offering organisational policies and practices that meet worker expectations.

One significant advantage of the curve is the insight it offers at the top, where cooperative pluralism and cooperative unitarism are located. There are similarities between the two categories as well as differences, while the boundary between them is less easy to establish in practice than the earlier typological discussion suggests. This accords with many empirical situations where it is difficult to distinguish between pluralist and unitarist cooperation, especially because some employment relationship practices are common to both cases. One example is the notion of 'non-union partnerships' in which many of the roles of employee representatives, the issues discussed and the structures and processes of consultation look similar to those in union partnerships (Johnstone et al. 2010). Another comes from Pyman et al. (2006), who found that many unionised workplaces with well-established collective bargaining arrangements also had individualised, non-union forms of voice and participation. Indeed, they argued that the effectiveness of voice mechanisms increased where practices associated with both pluralist and unitarism models were present.

A second use of this curve is in thinking about degrees of support or opposition to cooperation. Cooperation in its richest forms are supported in the middle of the cooperation curve. Moving one step to the left or right leads to what we think of as pragmatic opposition to cooperation. The assumptions in these perspectives are not fundamentally different from their neighbours that support cooperation, such that one could envision a shift between adversarial and cooperative pluralism or between cooperative and autocratic pluralism as being determined by a pragmatic calculation of the best way to achieve one's goals. But further away from the centre, the assumptions have less in common – specifically, a rejection of shared interests in the critical perspective and a strong belief in the determinism of the market in the egoism perspective – with the perspectives in the middle. As such, these perspectives are better characterized as principled opposition to cooperation.

But the real advantage of the 'cooperation curve' is that it encourages a more dynamic analysis, incorporating changes over time. Highly cooperative employment relations regimes (ie. those, both pluralist and unitarist, at the top of the curve) are unusual, especially in 'liberal market' economies like USA, UK and Australia. Explaining this rarity requires answers to two questions:

1. Why is it difficult to establish cooperative employment relations arrangements (ie. ascending to the top of the curve in Figure 1 from either side)?
2. Why is it even harder to sustain cooperation over time (ie. staying at the top of the curve)?

Our argument is that a range of contextual factors act as forces of entropy, an inexorable downward pressure towards the disintegration of cooperation. These forces make the achievement of cooperation (either pluralist or unitarist) within the employment relationships more challenging, and the ongoing sustainability of cooperation more difficult. That is,

creating and sustaining cooperation requires explicit actions to overcome a host of constraining factors; absent this, the employment relationship will default to moving toward either end of the cooperation curve.

One set of entropy factors is found among the parties to the employment relationship themselves. Self-interest can push employees, union leaders, managers, executives and others to prioritize their own interests, which can in turn create a backlash from others who react by prioritizing their own interests. Managers and executives might also be trained to think that it their responsibility to craft organizational policies, and prejudices might cause them to think that they have unique expertise. Union leaders might be socialized to believe that strong leadership means winning gains for members, not cooperating with management which risks them being labelled as a sell-out. Structurally, cooperation can require more resources as consultation can be slower and less decisive than unilateral decision-making. All of these factors can push parties away from a mutual gains focus.

But it would be overly narrow to only look within the employment relationship to seek answers to the questions above. Another set of entropy factors is found in the broad economic/political/social context within which cooperative regimes must operate, at least in 'liberal market' economies like the USA, Britain and Australia. Drawing on the 'varieties of capitalism' literature, Belanger and Edwards (2007, p. 720) emphasise that technology, product markets and institutional regulation 'in combination create more or less favourable conditions for certain workplace outcomes', including cooperation. In other words, broad 'macro' contextual factors that largely inhibit cooperation in liberal market economies often become embedded, or reproduced, at a 'micro' level in the structures and standardised processes of the individual organisation.

The impact of entropy can be seen in two examples from the literature. First, many studies of cooperative employment relations regimes have noted the adverse impact of key individuals, who had been champions of cooperation, leaving the organisation after there had been the successful transition. The dominance of adversarialism in other organisations in the outside economy means that too often their replacements have little experience in or sympathy for the cooperative approach, making it difficult to reproduce and sustain. Second, cooperative regimes (pluralist or unitarist) are voluntary in nature, making it easier to withdraw if the cooperative relationship meets 'bumps in the road'. Streeck (1992) argues that leaving cooperation to the voluntary choices of the parties, especially managers, misunderstands the importance of state intervention, and institutions more broadly, in moulding choice and especially in sustaining cooperation in the longer term. This is also reflected in the conclusions of Kochan et al. (2009, p. 63) about the Kaiser Permanents experience in the USA:

> 'The result is that partnerships are unlikely to proliferate without strong buttressing elements from the external environment. The perspicacity and perseverance of enlightened management and union leaders working towards partnerships in specific organizations will likely not suffice to make partnerships a widespread and sustainable phenomenon in U.S. industrial relations….Changes in law and public policy may prove necessary to shift us from a lower-performing equilibrium to the higher-performing one prefigured by KP's partnership.'

6. CONCLUSIONS

This paper has argued that underlying the failure of scholars and practitioners alike to properly define the important and widely supported concept of cooperation in the

employment relationship leads to confusion resulting from competing and often contradictory meanings given to the concept.

In an effort to shed light on these issues, and insert greater clarity, a typology was created to capture similarities and differences between six different perspectives on cooperation. This revealed that genuine cooperation is confined to just two of these types: collaborative pluralism and consultative unitarism. Cooperation is a foreign concept to the other four categories: the critical perspective sees cooperation as a mechanism to control workers; egoism sees cooperation as largely irrelevant because it assumes the voluntary negotiation of cooperation before workers enter the employment relationship; adversarial pluralism sees cooperation on common interests as very limited, overwhelmed by conflicting interests that need to be bargained in a largely arms-length style; and autocratic unitarism largely assumes the right of employers to direct employees and expect employee compliance.

A more dynamic analysis of these six perspectives on cooperation was then offered in the form of the cooperation curve. Amongst the advantages of this diagrammatic representation is the way it demonstrates the challenges of transitioning to either of the two cooperative regimes (ie. collaborative pluralism and consultative unitarism) and then sustaining such cooperative regimes. In both cases, 'entropy' is a constant danger, created by a combination of local features and broader economic-political-social environments within which enterprises operate.

There is clearly much more to be done, if the largely conceptual insights delivered by this paper are to be deepened and then tested empirically. Theorising more systematically and then testing the circumstances under which enterprises overcome the pressures of entropy to establish cooperative regimes is one obvious way forward. The related, but separate, question about the sustainability of such regimes similarly requires both theoretical elaboration and

empirical analysis. In the meantime, we believe we have identified an important path forward for better understanding the oft-mentioned goal of workplace cooperation.

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Table 1: Six Perspectives on Employment Relationship Cooperation

Perspective	Cooperation means…
Critical Perspective / Radicalism	…acquiescence by employees to employer-established goals and practices.
Adversarial Pluralism	…employers, employees, and their representatives pursuing their own goals and compromising with each other in ways that respect the legitimacy of each party's interests.
Collaborative Pluralism	…employers, employees, and their representatives **working together** on mutual goals and compromising on conflicting goals in ways that respect the legitimacy of each party's interests.
Consultative Unitarism	…employers and employees **working together** on organisational goals, in ways that are established by management through consultation.
Autocratic Unitarism	… employees following managerial directives for serving organisational goals, that in turn also are assumed to benefit employees.
Market Perspective / Egoism	…employers and employees complying with freely-entered contractual obligations in self-interested ways.

Table 2: The Key Assumptions of Six Perspectives on Employment Relationship Cooperation

KEY ASSUMPTIONS	CRITICAL PERSPECTIVE/ RADICALISM	ADVERSARIAL PLURALISM	COLLABORATIVE PLURALISM	CONSULTATIVE UNITARISM	AUTOCRATIC UNITARISM	MARKET PERSPECTIVE/ EGOISM
Who is working together?	Capital and labour as classes that are always in conflict.	Management and workers, potentially with external representatives.	Management and workers, potentially with external representatives.	Management and workers, without interference from external 'third parties'.	Management and workers, without interference from external 'third parties'.	Employers and employees as rational economic agents, with no role for collective organization.
The compatibility of interests?	Cooperation is a form of control that serves only capital's interests. Consent is needed, but not cooperation.	Mixed: Management and workers have separate interests, some in conflict and some in common, the former being privileged.	Mixed: Management and workers have separate interests, some in conflict and some in common, the latter being privileged.	Harmony of interests: Management and workers share a common interest in the attainment of organisational goals.	Harmony of interests: Management and workers share a common interest in the attainment of organisational goals.	Any incompatibility of interests is resolved before the formation of the employment relationship, producing harmony of interests.
Reciprocity and responsibility for the interests of 'others'	The nature of class struggle means neither capital nor labour are responsible for each other's interests.	Each party responsible for advancing its own interests, with minimal/ no responsibility for the other's.	Joint responsibility to advance common interests in order to achieve mutual gains.	Management has responsibility but not unique expertise to advance organisational goals, which are in the interests of both management and workers.	Management has responsibility and unique expertise to advance organisational goals, which are in the interests of both management and workers.	Each party responsible for advancing its own interests and for complying with contractual obligations.
What issues are subject to cooperation?	Capital and labour both focused on issues of day-to-day control.	Management and workers both focused primarily on day-to-day control.	Management and workers both focused on issues of day-to-day control and of future development.	Management and workers focused on management's goals in relation to issues of day-to-day control and of future development.	Management focused on issues of day-to-day control.	Employers and employees share goals by agreement, or the relationship dissolves.
Structures or processes of cooperation	None. Rules are made and enforced based on power.	Bilateral, through distributive bargaining.	Bilateral, through distributive and integrative bargaining and/or co-determination.	Unilateral by management, after consultation.	Unilateral by management.	Self-interest creates mutually beneficial contractual terms.

Figure 1: A Cooperation Curve Capturing the Challenging Dynamics of Cooperation in the Employment Relationship