

Learning on the Run 30: Business Case Analysis

How to use a union-management task force to make a business case for change?

The Request. The Director of a City Solid Waste Department requested help in facilitating a Union-Management Task Force. The Task Force was asked to make a business case that demonstrates the cost effectiveness of current shift scheduling and staffing or to recommend changes to create cost savings. Once a report was approved, the Task Force would be asked to develop an implementation plan if needed.

Larger Context. This request came as city politicians were informally discussing ways to privatize various government functions including solid waste collection, transfer and land fill operations. At the same time, there were looming budget cuts coming to each department. Solid Waste senior leadership wanted to proactively plan a more cost competitive system to promote the health of all employees and create more reliable attendance and less overtime and “sack outs” on nights. It was also important to recognize which potential actions would require contract negotiations.

Intervention. The following plan represents how the business case was developed.

1. Sponsors create Task Force charter
2. Define final product and communication plan
3. Kick-off Q & A for shift crews
4. Fact-finding: Review internal and industry data on costs, call-ins, backfill, “actings”, hardships, productivity and health factors
5. Create initial cost-reduction alternatives
6. Check-in with sponsor
7. Assess initial alternatives against key criteria
8. Check in with sponsors, unions
9. Decide first cut, top alternatives
10. Gather employee feedback by manager-supervisor-employee shift meetings
11. Review results of feedback
12. Make recommendations to sponsor

A communication plan was also developed. A summary of each meeting was posted on the internal department website with a specific section for rumors and “burning questions” being asked by employees. Employee feedback was solicited informally at staff meetings and formally after several alternatives were developed. The department labor negotiator kept the union informed in one-to-one meetings.

Last Line. A data-driven definition of internal measures and external comparisons, recommendations based on measurable criteria and continuous input from stakeholders are key components of a business case analysis.