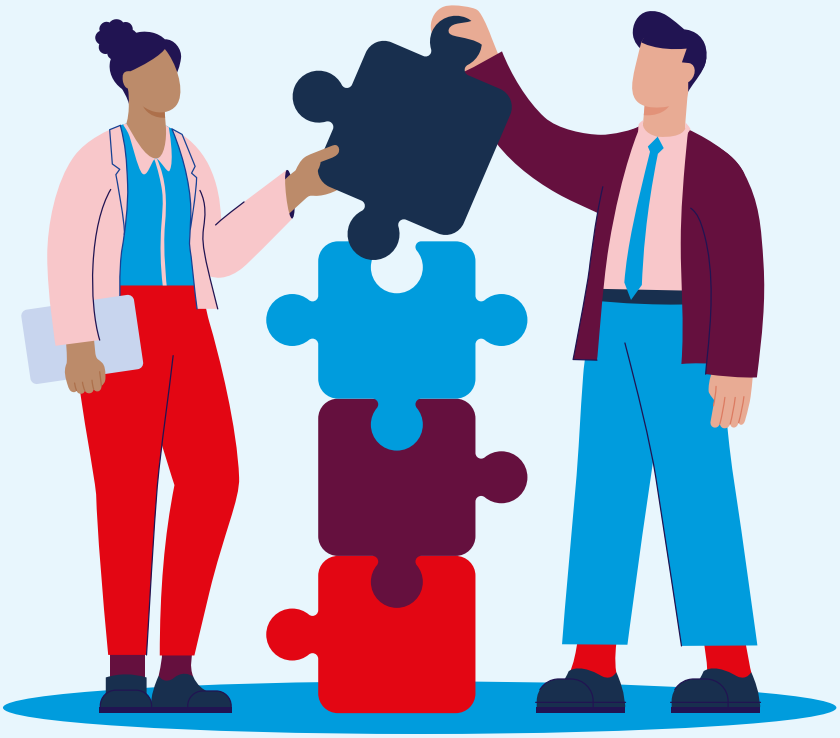
NHO | LO Norway

SOCIAL DIALOGUE AT YOUR WORKPLACE



Effects of social dialogue at enterprise level

Who partakes in local social dialogue?

The primary participants in social dialogue at the micro-level are typically the manager and the elected union representative: the shop steward. However, they are not alone. The setup is not the same in every country, but there are many similarities. Here is a "who-is-who" in the Norwegian setting.

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Social dialogue in Vietnam

At the Silk Sense Hoi An River Resort, customer satisfaction and sound business policies go hand in hand with social dialogue between management and the union. Ha Thi Dieu Vien, the General Manager at the resort, and Le Thi Bich Hong, shop steward for housekeeping, answer core questions on why bipartite social dialogue benefits both employees and the business.

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Leadership and social dialogue

What kind of leadership enables social dialogue? And how does social dialogue impact leadership?

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Local wage negotiations

Negotiating wages is unquestionably the most important task for social partners. Here are tips on how to ensure effective local wage negotiations.

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LO and NHO join forces for innovation

"Joint Measures" is a collaborative project between the LO and NHO. The idea is that broad participation and co-determination create more profitable and better companies.

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UN Sustainable Goals and social dialogue

Social dialogue and the UN Sustainable Development Goals (SDGs) are closely interconnected, with each supporting and reinforcing the other in significant ways.

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9 out of 10 member companies believe that the cooperation between **union representatives and management** is positive for the company.

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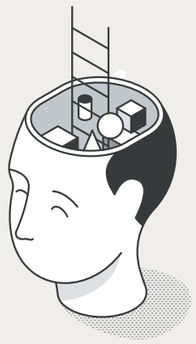

Employee-driven innovation

Employees can be an invaluable resource for improving your business. It is profitable in multiple ways, including enhancing work processes, products, and employee satisfaction.

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The roots and fruits of cooperation are local

At the enterprise level, the International Labour Organisation (ILO) considers social dialogue to be a crucial component in sound industrial relations. Without social dialogue at the micro-level, social dialogue on the national level is difficult to achieve. And vice versa!

Social dialogue is a broad term encompassing formal and informal cooperation. At the macro level between top leaders in employers' and employees' organisations, and between these organisations and the government. Social dialogue is not something that trickles down. It is built from the ground up, often at the workplace. The key to success is to build trust and relationships through social dialogue between workers and management at each company, branch, and local organisation.

Why does social dialogue at the local level matter:

- **When we interact we build trust and respect.**
- **Only the wearer knows where the shoe pinches:** Workers who produce goods or services have valuable insights into production and processes. They often have the best suggestions for improving productivity, reducing inefficiency, and overcoming barriers such as talent or supplier shortages. Toyota is a prime example: employees submit millions of suggestions annually, many of which are implemented, leading to continuous improvement in processes and productivity. The Toyota Way is based on two pillars; Continuous improvement and Respect for people
- **Conflict is best resolved at the lowest level:** We recognize that conflicts can intensify as they escalate. The earlier a conflict is resolved, the less it costs both workers and management/owners in time, money, and frustration. Trust and dialogue between employer and employee representatives can defuse and de-escalate latent conflicts.

The empowerment of the people involved is a precondition for local collaboration. The shop steward represents union members and serves as an important sounding board for management. Both the shop steward and the management representative need the necessary mandate to find and implement solutions. Social dialogue at the local level is less effective if the shop steward must take orders from central union leadership, or if the manager's representative has no real power and answers only to headquarters.

So, what does it take to engage in meaningful social dialogue in the workplace? As ILO states: *"There is no 'one size fits all' model of social dialogue that can be readily exported from one context to another; rather, it encompasses diverse global experiences and practices. Adapting social dialogue to specific contexts is crucial for ensuring full ownership by the parties involved and sustainability of the process."*

We believe that no matter the geography or context, social dialogue requires good will from both sides. Collective agreements are central in securing a system and framework for social dialogue. A collective agreement may include provisions on how and when cooperation between union representatives and management should be conducted. Having the will to cooperate is needed anyhow. Secondly, real dialogue is always based on trust. Sharing information, ensuring transparency, and demonstrating a willingness to listen are excellent starting points in a trust-building process.

We believe that workers' and employers' interests converge on this common goal: we want our workplaces to be productive and sustainable, attaining both decent working conditions and returns on investment for workers and owners. In this pamphlet, we investigate what social dialogue at the local level entails, by presenting inspiring examples of successful local cooperation, and providing concrete tips for initiating or strengthening social dialogue in your daily work life.

SOCIAL DIALOGUE AT ENTERPRISE LEVEL

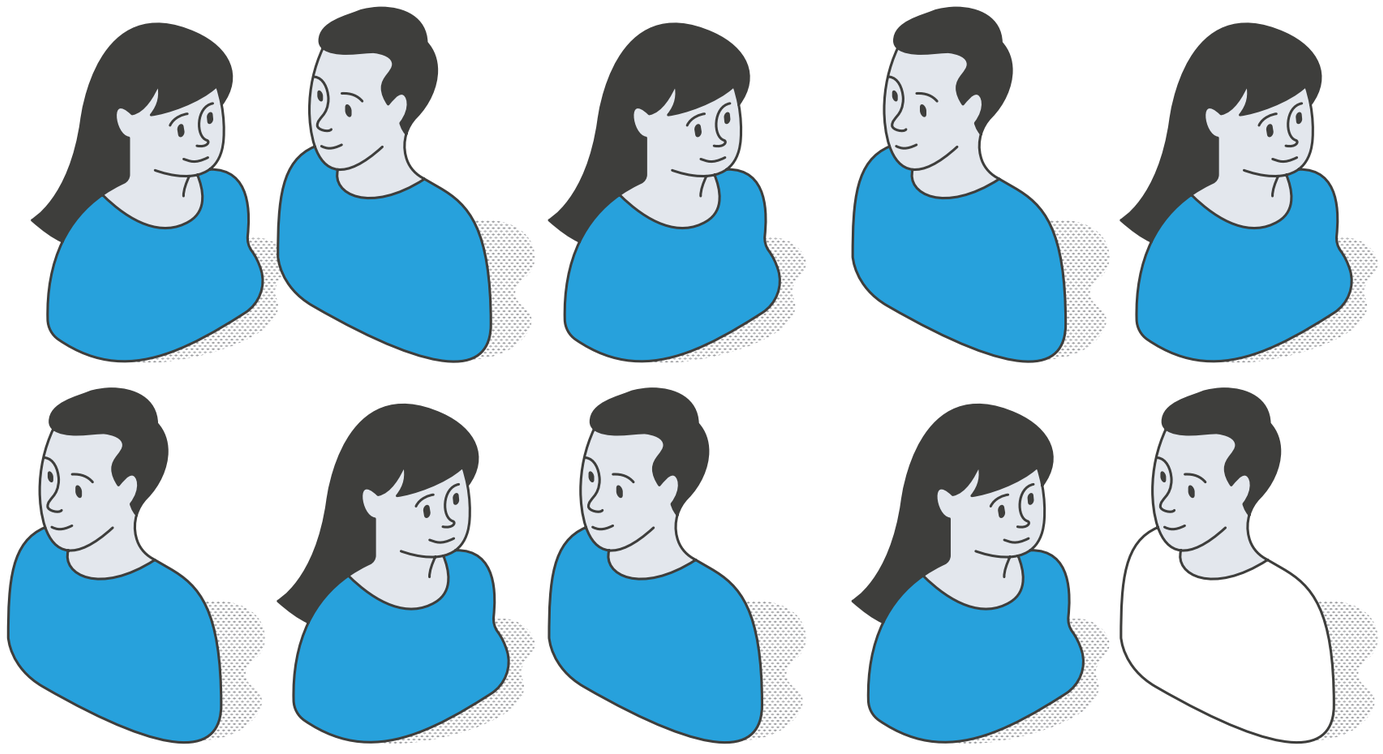
A blueprint for success

Social dialogue at the enterprise level can be a powerful tool for securing jobs, increasing productivity, sharing profits fairly, safeguarding a safe and healthy working environment, and much more. But what exactly is it, and how do we get started?

FACTS
SOCIAL DIALOGUE

Social dialogue, as defined by ILO, includes all types of negotiation, consultation or exchange of information between, or among, representatives of governments, employers and workers, on issues of common interest relating to economic and social policy. It can exist as a tripartite process, with the government as an official party to the dialogue or it may consist of bipartite relations between labour and management (or trade unions and employers' organisations). Workplace cooperation, collective bargaining at company, sector or cross-industry levels, and tripartite consultation processes are common forms of social dialogue.

> 9 out of 10 member companies believe that the cooperation between union representatives and management is positive for the company.



FACTS
EMPLOYERS APPRECIATE COOPERATION

Empowering employees is not only beneficial to the employees. An NHO study shows that nine out of ten member companies believe that the cooperation between union representatives and management is positive for the company.

The respondents point to better conflict resolution, higher ability to create and sustain secure jobs, and higher profits as results of systematic cooperation between union representatives and management.

SOURCE: NHOS ARBEIDSGIVERBAROMETER

What is social dialogue at the enterprise level?

Social dialogue at the enterprise level is the formal and informal, structured and unstructured dialogue and cooperation between shop stewards and employers. In Norway, local social dialogue and bipartite cooperation is based on labour law and collective agreements and collaboration on continuous improvement of work processes, occupational safety and health standards and innovative projects.

Why is social dialogue at enterprise level beneficial?

In most cases, employers and employees agree that they want a profitable and sustainable workplace with secure jobs and a healthy working environment. Social dialogue is an effective way of achieving these goals. Research shows that:

- Implementing collective agreements can boost productivity.
- Cooperation promotes investment in new technology, through involvement in decision-making processes.
- Dialogue reduces the level of conflict.
- Peace obligations during collective agreement periods contribute to stable operations.
- Partnerships between employers and employees facilitate broad participation and co-determination in business development, fostering innovation, productivity growth, and continuous improvement (more in this on page 16).

How do we engage in social dialogue locally?

Management must actively seek to involve employees and their representatives, for example by initiating forums and meeting places for information exchange and dialogue. The union must allow local shop stewards independence and autonomy. Both parties must have access to relevant and accurate information. Social dialogue thrives in cultures characterised by trust, respect, and cooperation between parties.

Social dialogue in Norway

Norway has a strong tradition of local cooperation between employers and employees. Close to all companies choose to involve unions and employees in far more issues than they are obliged to according to the laws and regulations. Research indicates that this partnership approach has been a competitive advantage for Norwegian businesses, contributing to fewer labour conflicts and greater workplace affiliation. In essence, the Norwegian micro-model proves that when employees and management work together in an atmosphere of mutual trust and respect, it leads to more innovative, productive, and harmonious workplaces, benefiting both the company and its workforce.

Who partakes in local social dialogue?

The primary participants in social dialogue at the micro-level are typically the manager and the elected union representative: the shop steward. However, they are not alone. The setup is not the same in every country, but there are many similarities. Here is a “who-is-who” in the Norwegian setting.

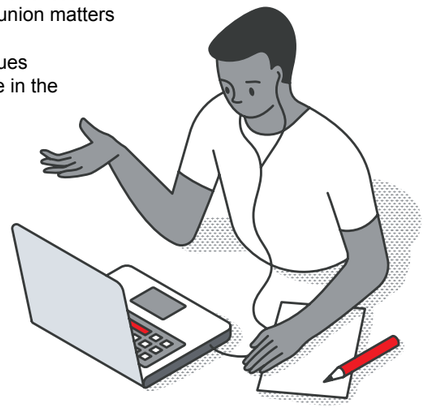
Shop steward

A shop steward is an employee elected by union members in a workplace to represent them in dealings with management. They serve as a link between the workers and the union leadership and the company management. Depending on size and structure, there can be more than one shop steward, i.e. department shop stewards interacting with first line management in daily operational matters.

Key aspects of a shop steward's role include:

- Social dialogue with management
- Representation of members' interests to management
- Communication between workers, union leadership, and management
- Represent and assist members with grievances
- Respecting the trust and mandate given by members, and upholding the democratic processes and framework of the union
- Contract enforcement
- Organising union activities and recruiting new members
- Problem-solving day-to-day workplace issues
- Education on workers' rights and union matters
- Negotiations at local level
- Dialogue on health and safety issues
- Providing a visible union presence in the workplace

In different countries and union structures, the exact role, title and responsibilities vary. For example, in some places, they might be called union representatives or union delegates. The local union might have a board and be represented by more than one person.



FACTS
UNDERSTANDING ROLES IS CRUCIAL

In the context of social dialogue at the enterprise level, an understanding of each role is crucial for all participants to ensure effective communication, negotiation, and collaboration. Each party needs to clearly understand their role in the process to contribute meaningfully and respect the roles of others involved. This becomes very clear during tough negotiations or difficult conflict management situations. Ideally, parties should negotiate tooth-and-nail in the morning. Then they break up for lunch and join each other in the staff canteen to share a meal and discuss common objectives for training and innovations.

Employee-elected board member

An employee-elected board member is chosen among employees, by employees, to represent their interests at the highest level of corporate governance.This role is common and statutory in many countries, including Norway, and is designed to give employees a voice in strategic decision-making.

The employee-elected board member has the same legal responsibilities and voting rights as other board members, including duties of care and loyalty to the company. They must act in the best interests of the company as a whole while bringing valuable shop-floor insights to board-level discussions.

Health and safety representative

A health and safety representative is an employee elected or appointed to represent workers on matters of occupational health and safety in the workplace. This role is a mandatory part of the workplace safety system in many countries. Work environment includes both physical and psychosocial work conditions. Responsibilities include monitoring workplace safety conditions, securing participating in safety inspections and risk assessments, preventing and reporting on discrimination or sexual harassment and reporting safety concerns to management. They have legal protection to carry out these duties and the right to receive necessary training.

Management

Management can be represented by the CEO or top executives, or by human resources managers, department heads or line managers. The management’s responsibility regarding social dialogue at the enterprise level is crucial for fostering a productive and harmonious work environment. Key responsibilities include:

- Initiating and facilitating dialogue
- Sharing information and ensuring transparency
- Consultation with employees on matters affecting their work and welfare
- Negotiation in good faith
- Implementation of agreements and policies
- Conflict resolution
- Legal compliance
- Creating a positive climate for social dialogue
- Respecting union representatives and protecting them from discrimination
- Balancing business needs with employee interests

Working Environment Committee

The Working Environment Committee is a joint body comprising representatives from both management and employees, established in workplaces above a certain size. The employees’ representatives are often elected by enterprise-level union members, but could also be elected by non-union members too. Its primary role is to oversee and improve the working environment within the organisation. The committee works to ensure a safe, healthy, and productive workplace for all employees.

Key responsibilities include monitoring workplace health and safety, participating in planning safety and environmental measures, and reviewing reports on occupational health issues and accident statistics. By law, the committee has decision-making authority in certain matters related to health and safety in the workplace.

FACTS
OCCUPATIONAL SAFETY AND HEALTH (OSH)

Dialogue and cooperation: Both social dialogue and OSH are built on principles of dialogue and cooperation.

- Prevention: Focus on preventing problems rather than solving them after they occur.
- Balance: The goal is to create a balance between the interests of employees, employers, and society.
- Continuous improvement: Both social dialogue and OSH efforts emphasise continuous improvement and development.

Social dialogue and systematic OSH efforts work together to create a work life characterised by high productivity, good health and safety, and a positive work environment.

Leadership and social dialogue

What kind of leadership enables social dialogue? And how does social dialogue impact leadership?

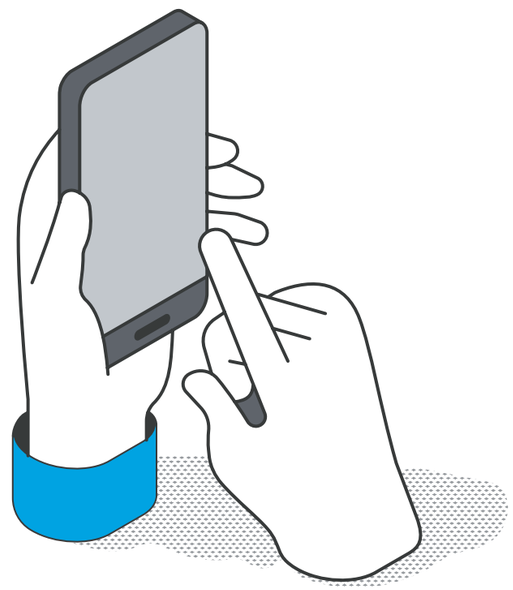
Leadership is a vast international field of study. Various leadership philosophies and approaches can enhance an environment conducive to social dialogue in the workplace. In the Nordic countries, leadership tends to be characterised by equality, informality, openness, participation and conflict avoidance in an open and transparent organisational culture. This style of leadership coexists with and supports Norway's highly productive economy, thus challenging notions that more authoritarian approaches are necessary for efficiency.

Norwegian leadership practices have evolved alongside changes in law and regulations, and have developed over time. There are plenty of examples of countries and enterprises that cultivate similar practices. Leaders who recognise workers' rights and workplace cooperation as assets rather than impediments are able to use social dialogue to their advantage, increasing profits, securing talent retention, employee engagement and improved organisational performance.

Key characteristics of leadership that enable social dialogue include:

- **Open communication:** Encouraging free flow of information and ideas across all levels of the organisation.
- **Empowerment:** Giving employees the possibility to participate meaningfully in dialogue and decision-making.
- **Trust-building:** Consistently demonstrating integrity and following through on commitments.
- **Conflict resolution skills:** Ability to manage disagreements constructively and find common ground.
- **Emotional intelligence:** Understanding and managing one's own emotions and those of others to facilitate productive interactions.
- **Cultural competence:** Recognising and respecting diverse perspectives and backgrounds.

By adopting elements of this leadership approach, business leaders can foster more collaborative, egalitarian and ultimately more productive workplaces.



FACTS
LEADERSHIP MODEL UNDER PRESSURE

The Norwegian leadership model has evolved over time, but is at risk stemming from global trends:

- Digital transformation brings new types of change processes that are more complex and top-down, challenging established routines for employee participation.
- Growing demands for risk management, sustainability reporting, and accountability can undermine the necessary trust and efficiency. These mechanisms incur more administration and control, and can undermine the agile work form of the model.
- Students and young leaders are not being adequately educated about the structural aspects of Norwegian leadership, particularly the role of unions and collective agreements.
- Pressure for faster decision-making can lead to less inclusive processes and reduced employee involvement.
- Some workplaces are seeing a shift towards more authoritarian management styles, with less employee autonomy.
- Preserving a leadership model that enables social dialogue requires conscious effort to educate future leaders about its principles and structures, while adapting to new challenges.

SOURCE: THE NORWEGIAN LEADER. POLICY BRIEF FROM AGENDA, A NORWEGIAN CENTRE-LEFT THINK TANK

Social dialogue in Vietnam

At the Silk Sense Hoi An River Resort, customer satisfaction and sound business policies go hand in hand with social dialogue between management and the union. Ha Thi Dieu Vien, the General Manager at the resort, and Le Thi Bich Hong, shop steward for housekeeping, answer core questions on why bipartite social dialogue benefits both employees and the business.

What are your best tips for achieving good social dialogue?

Ha Thi Dieu Vien, General Manager: “The most important thing is to have communication based on respect and to listen to each other. Managers need to communicate transparently and clearly, ensuring that all decisions are thoroughly explained to create consensus. Employee representatives also need to accurately reflect their wishes and concerns. The dialogue should focus on finding constructive solutions that improve the work environment without causing tension. At Silk Sense, we value a safe space where people can share ideas freely, thereby building lasting trust between management and workers. This not only helps maintain internal harmony but also ensures sustainable development for the entire resort.”

Le Thi Bich Hong, shop steward: “It is necessary to first build an environment of trust and transparency, where both parties feel safe to express their opinions. Active listening, respecting differences, and finding common goals is important. Discussions should take place regularly to maintain relationships and improve communication processes. Finally, having conflict resolution skills and effective evaluation after each dialogue will help improve the relationship between the two parties.”

Do you have an example of good cooperation to achieve a common goal?

Ha Thi Dieu Vien, General Manager: “The Plastic waste-free hotel project is a typical example of effective cooperation between management and employees at our resort. Management coordinates with employees and suppliers to eliminate single-use plastic, replacing it with environmentally friendly materials such as paper bags and bamboo straws. Replacing plastic products was a proposal that came from the workers. It not only helps reduce plastic waste, in line with the resort's commitment to sustainable development, but also contributes to enhancing Silk Sense's image, while also reducing long-term costs.”

Le Thi Bich Hong, shop steward: “The cooperation between managers and employees in improving customer service is another example of good collaboration. Managers organise training courses on communication skills, while union staff collect opinions from employees to improve service quality. As a result, the resort not only increases customer satisfaction levels, but also creates an engaged working environment, contributing to the overall success of the resort.”

PHOTOS: SILK SENSE HOI AN RIVER RESORT

Tran Thai Do, CEO of Silk Sense and staff celebrating their joint efforts to reduce plastic waste.

How do you manage to maintain good working relationships, for example after a difficult negotiation?

Ha Thi Dieu Vien, General Manager: “I will maintain a professional attitude, and listen to feedback from partners or employees to clearly understand the problem. I will then propose a review meeting to find alternative solutions, while maintaining regular communication to reduce tensions and create opportunities for further negotiations. It is important to maintain respect and openness so as not to affect the common goal.”

Le Thi Bich Hong, shop steward: “After a failed negotiation you should communicate openly by sharing your feelings and giving positive feedback. It is important to listen to the other party's opinions to clearly understand their point of view, thereby showing respect. Finding common ground and emphasising common goals will also help create opportunities for future collaboration.”

What are the benefits of investing in good cooperation with shop stewards?

Ha Thi Dieu Vien, General Manager: “First, a close collaborative relationship helps maintain a harmonious work environment, minimise conflicts and increase employee satisfaction, thereby improving work productivity. Second, good cooperation promotes effective communication between management and workers, helps to quickly resolve arising problems and facilitates the implementation of new policies. Finally, building good relationships with employee representatives also helps improve corporate image, enhance reputation and ability to attract talent, and ensure the company's sustainable development.”

Le Thi Bich Hong, shop steward: “Investing in building a good working relationship with union representatives improves communication between managers and employees, reduces misunderstandings and increases understanding. Listening and promptly solving employee problems creates a positive working environment, improving work satisfaction and motivation. Good relationships help reduce conflicts and labour disputes, saving additional costs. Ultimately, commitment to employee welfare improves a company's image and brand.”

Is social dialogue valued and seen as important by social partners?

Ha Thi Dieu Vien, General Manager: “At Silk Sense Hoi An River Resort, both workers and managers are clearly aware of the value of social dialogue. Dialogue helps increase understanding, creates opportunities for both sides to share views and solve problems effectively. Management can listen to workers' needs, while workers feel their voices are valued. Social dialogue not only resolves conflicts but also promotes the company's sustainable development.”

Le Thi Bich Hong, shop steward: “Workers see social dialogue as an essential tool to express their opinions and protect their rights, helping to increase work satisfaction and motivation. Managers find social dialogue important in maintaining positive relationships with employees, understanding the needs and challenges of the workforce, thereby improving decision-making processes, and minimising conflict. Both sides see social dialogue as an important factor in building a positive working environment and sustainable development for the company.”

Social partners' efforts to formalise the informal food delivery sector

The rise of the gig economy challenges the structure of social dialogue. There is no employer and there are no employees. There is only a "digital platform" and independent contractors.

In the mid-2010s, we saw a global rise in food delivery services, especially those using bicycles. Increased smartphone usage, app-based ordering, and the rise of the gig economy providing a flexible workforce enabled a "new" industry to boom. The working conditions for contractors vary, but the bigger picture shows that they have limited job security, low and unpredictable income, limited health and safety measures, no career development or training, and work under high pressure and risk.

The informal economy faces urgent challenges in employment, rights, social protection, and representation. Tackling these issues is essential for improving conditions in the informal economy. Social dialogue is crucial for democratic governance and implementing policies to formalise work. In 2002, the ILO adopted a resolution on decent work in the informal economy, which was reinforced by the 2008 ILO Declaration.

Since 2016, workers in the "platform economy" have been mobilising for improved labour conditions globally, capturing media attention with their protests and strikes.

The examples here show that when social partners team up, mobilise and organise, they can push for a better and a more decent working life.

UNITED KINGDOM
DELIVEROO'S STOCK EXCHANGE SETBACK

Deliveroo, founded in London, UK, began using bicycle couriers for food delivery as early as 2013. It was listed on the stock market in 2021. On its first day of trading, Deliveroo's shares fell by 26%, wiping more than £2 billion off the company's initial market value. Why? Some major UK investors had refused to participate in the initial public offering, citing concerns about the company's labour practices and corporate governance. As sustainable investment manager EdenTree put it: Deliveroo's model was "best characterised as a race to the bottom with employees in the main treated as disposable assets – which is the very antithesis of a sustainable business model."

SOURCE: ILO

USA
CALIFORNIA FAST FOOD WORKERS UNION

In 2023, hundreds of fast-food workers met in Los Angeles to kick off the launch of the California Fast Food Workers Union, a statewide union aimed at organising cooks and cashiers at fast-food companies across the state. The new union comes in the wake of a victory at the end of 2023 to boost pay to $20 an hour for California's 500,000-strong fast-food workforce.

NORWAY
FIRST FOODORA COLLECTIVE AGREEMENT

In September 2019, Foodora obtained a collective agreement in Norway following a five-week strike among Foodora cyclists. This was a historic event for the Norwegian labour movement. The agreement was seen as a breakthrough for workers' rights in the new digital economy, as it was the first collective agreement for a company in the platform economy in Norway. The agreement included, among other things, a wage increase, compensation for the use of own equipment (bicycle, phone), and a winter allowance.

ILO's Director-General Guy Ryder visited the cyclists on strike: "It was very interesting to talk with the Foodora couriers. What they are fighting for is something we are well familiar with, the struggle for a collective agreement. But what these people represent is something quite new, they represent a growing part of the economy that the world is moving towards. What is happening in Oslo today is not just important for those directly involved in this strike. It also has significance beyond Norway," said Ryder.

Former LO President, Hans-Christian Gabrielsen, talks to the striking Foodora cyclists.

PHOTOS: LO

SOURCE: TORGNY HASÅS (2019), FRIFAGBEVEGELSE.

PHOTOS: DEL BAÑARES: SENTRO

PHILIPPINES
RIDERS-SENTRO

The National Union of Food Delivery Riders (RIDERS-SENTRO) was established in 2022. They now have seven "chapters" (branches or local units). The union organises workers who deliver for the multinational delivery company GRAB (registered in Singapore) and has a local union for Foodpanda (same owner as Foodora in Norway). One of their causes is a case against GRAB, citing reductions in benefits and pay for deliveries due to "double bookings," which is where a rider picks up more than one order but is only credited for a single delivery.

Local wage negotiations

Negotiating wages is unquestionably the most important task for social partners. Here are tips on how to ensure effective local wage negotiations.

Agree on status

Both parties need to understand the current situation. What are the current wage levels? What has been the trend in recent years? What is the company's economic status and outlook? What are average wages in similar companies/industries? To ensure credibility and transparency, it is recommended for management to hold regular meetings, quarterly for example, to keep the employee representatives informed. Agreeing on where you stand makes it easier to agree on where to go. It's important that both management and employee representatives are adequately trained to understand and analyse the data presented. This prevents situations where one party might feel overwhelmed by the other's arguments or data.

Agree on process

Set up a timeline. Be clear on who participates in the negotiations and consider having substitutes in case of illness or unavailability.

Remember your roles

Both employees and employers want the business to succeed. Local wage negotiations are about sharing profits but in these situations, you have diverging interests. Respect each other's role and mandate, and avoid making negotiations personal.

Listen

Successful negotiations often result in compromise. Listen to your counterparts and consider if they have information that changes your analysis. Try to understand differing viewpoints.

Come prepared

Do your homework. Understand the formalities set by collective agreements and labour laws. Research how your local business usually conducts negotiations and get support from your union or employer association.

Secure a mandate

If you represent the employer, make sure you have a mandate from the board, CEO or owner to conduct the negotiations. Know your limits, and when to seek approval. If you represent employees, make sure you listen to your union members. What is important to them? What do they want you to prioritise?

Clarify the goals

The parties should formulate and prioritise their goals. Based on these, it is often possible to establish common ground.

Address simpler issues first

Sometimes small steps of success are a psychological boost for the negotiating teams. If you are stuck on big issues, try solving a smaller one to regain momentum. Often employers and unions have common challenges and goals, negotiate on these issues first to lay a better foundation for more difficult topics.

Be creative

If the business cannot meet pay rise expectations, is there something else you can negotiate? Time is a resource valued by most workers, can you allow one hour for physical exercise a month? Offer free breakfast on Monday morning?

Be aware of bias

Both managers and shop stewards may know some employees better than others. Strive for objective criteria in salary settings.

Make an action plan

Based on what you have agreed upon, make an action plan to implement the decisions. Set milestones and timelines, and appoint the person(s) responsible for the different actions.

Document proceedings

Write things down, and sign protocols. Sometimes nuances and tacit expectations can come up later. Documentation of processes and results helps prevent misunderstandings.

DIANA CECILIA GÓMEZ CELY
GENERAL SECRETARY, CONFEDERACIÓN DE TRABAJADORES DE COLOMBIA (CTC)

PHOTOS: JOHANNE HOVLAND

> "The company lives up to its transparency principles. Posters at the factory show important data, so that everybody can feel that they are part of meeting certain goals. Information is transparent for both employers and employees.

Diana Cecilia Gómez Cely, General Secretary, Confederación de Trabajadores de Colombia (CTC), after visiting the Freia chocolate factory in Oslo, Norway, in March 2024. She reflected on the fact that information was available to all employees, and common goals are set. The visit was part of a round table conference on social dialogue where employer associations and union confederations from Ghana, Colombia, Tunisia and Vietnam participated. The conference marked the start of the Social Partners for Decent Work programme.

FACTS
LOCAL NEGOTIATIONS CRITERIA

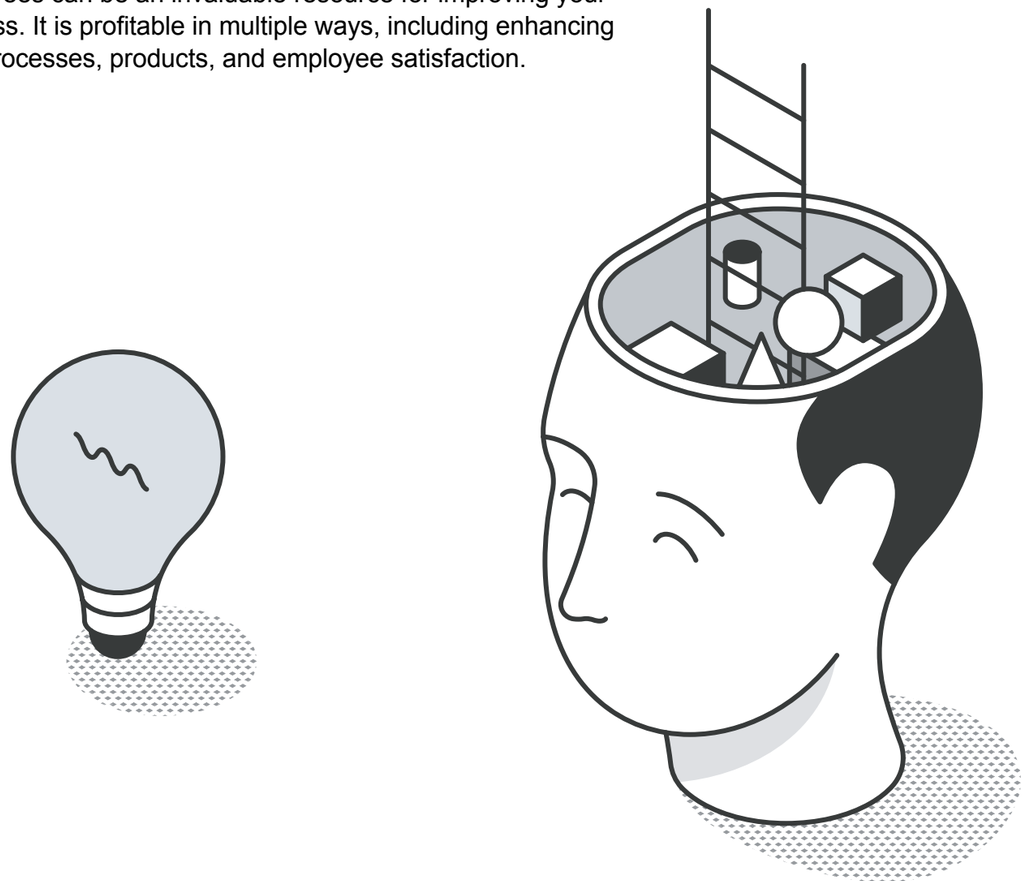
Wage formation in Norway is centralised, but with an important addition: local adjustments are allowed once national negotiations conclude. Four criteria, agreed upon in the national sectorial CBAs, are considered when local negotiations take place:

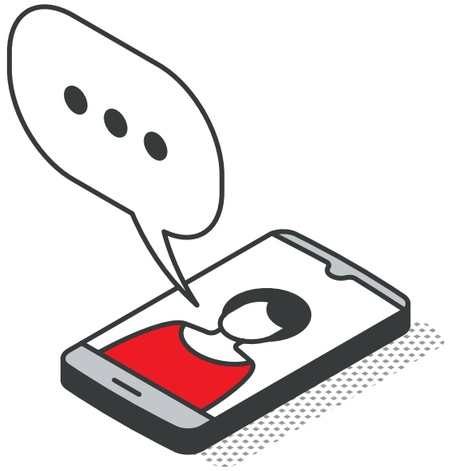
1. Company's finances: How profitable is the company? Is the company making a profit? Is the profit increasing more than wages? Are the owners taking dividends?
2. Company's future prospects: How is the company likely to perform going forward?
3. Company's competitiveness: How well is the company positioned in comparison with similar companies?
4. Company's productivity: Low productivity can be indicated through poor results, weak competitiveness, and poor future prospects.

Employee representatives have the right to access information about the company's accounts and about employees' salaries. This includes salary information on group levels for non-members, and on individual level for members. The salary information can be grouped according to role, level, education, experience, gender etc.

Employee-driven innovation

Employees can be an invaluable resource for improving your business. It is profitable in multiple ways, including enhancing work processes, products, and employee satisfaction.





What is employee-driven innovation?

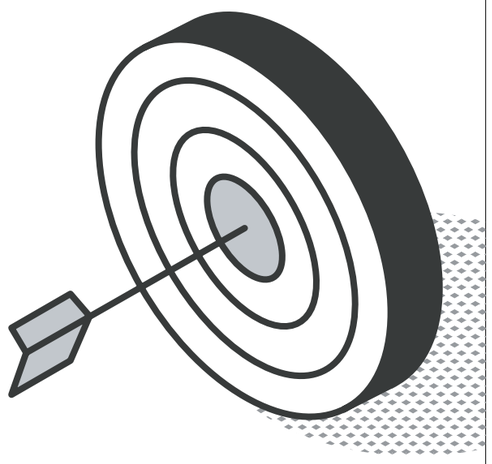
Employee-driven innovation is an approach that actively involves all employees in creating and implementing new ideas, regardless of their position in the company. It's based on the belief that every employee, from frontline workers to middle managers, have valuable insights and creativity that can contribute to improving work processes, products and services.

Why does it pay off to involve employees in developing your business?

- Employees who initiate innovation tend to feel more ownership over their workplace and its development.
- It can reduce turnover.
- It is profitable, leading to improved work processes and new products.
- It can be used as a tool to increase employee satisfaction.
- It allows companies to better utilise their most important resource: their employees' competence and experience.
- When done properly, it creates a more engaged and committed workforce, which can drive long-term success and innovation.

What does it take to succeed?

Successful employee-driven innovation requires social dialogue, committed leadership, responsible employees, and a culture of trust and openness. It needs systematic approaches, appropriate tools, and patience. Success comes from empowering staff, fostering collaboration, and maintaining continuous focus on innovation throughout the organisation. Quick feedback and balanced methods tailored to the company's needs are crucial.



How to get started?

To begin with employee-driven innovation:

- Create arenas for both formal and informal social dialogue
- Focus on leadership that facilitates and motivates employee involvement.
- Give employees both authority and accountability.
- Provide frequent, targeted information about company activities.
- Enhance collaboration between management and staff through concrete projects.
- Establish a suitable system for idea management.
- Be patient, as it takes time for new practices to take root. Remember, employee-driven innovation is an ongoing practice, not a short-term campaign.

LO and NHO join forces for innovation

"Joint Measures" is a collaborative project between the LO and NHO. The idea is that broad participation and co-determination create more profitable and better companies. Enterprises can seek advice and funds to improve their own business and workplace. Here are three examples of what happens when employees and employers join forces.

PHOTOS: JOHANNE HOVLAND

GABRIEL ARTHUR DONKOH
HEAD OF FINANCE DEPARTMENT, TRADES UNION CONGRESS GHANA

> "One thing stood out: unity of purpose. The company is seeking to improve the business, and the workers are also seeking the improvement of the company. At the end of the day both the employer and the workers have the same purpose: to build income security and job security.

Mr. Donkoh stands next to Yvonne Asare-Yeboa, Director, Resource Development and Services and Female Future Coordinator in Ghana Employers' Association (GEA). Mr. Donkoh was impressed by the social dialogue in practice after visiting the Freia chocolate factory in Oslo, Norway in March 2024 together with Ms. Asare-Yeboa. The visit was part of a round table conference on social dialogue where employer associations and union confederations from Ghana, Colombia, Tunisia, and Vietnam participated. The conference marked the start of the Social Partners for Decent Work programme.

Photo: Production Director Ottar Olden and chief union representative in NNN Inger Marie Tayuzak present great results from social partners' tighter cooperation in their ice-cream production facility.

The ice-cream factory
Continuous improvement

Diplom-Is has been making ice cream in Norway since 1931 and is constantly working to improve production to deliver the best possible product.

Making delicious ice cream is a craft, but it is also about collaboration and continuous improvement of production processes. To increase quality in production, it is also important to develop the most crucial aspect of the entire production process, namely the employees. This was the starting point for a successful innovation project.

The goal of the project was to ensure more flexible and predictable production. Flexible in terms of ability to launch new products and good restructuring routines, and predictable because it means production is more controlled with less waste. It is about efficient operations based on best practices, which are continuously improving.

The project involved all employees in developing operational descriptions and led to improved information flow that has reached more employees. Another significant result has been an increase in reported deviations. In many companies, reporting is seen as negative, but at Diplom-Is, reporting deviations is an important part of quality improvement.

PHOTO: ELLEN JOHANNE JARLI

The hotel
Happier guests and healthier employees

At the Quality Hotel Tønsberg in Norway, management and employees began systematically cooperating to improve services and the work environment, and achieved great results.

Previously, the gap between management and union representatives was wide and communication was poor. After three years of social dialogue, the situation is entirely different. Trust and cooperation have improved, there is greater focus on internal projects, and the workplace is more joyful. This has yielded visible results such as lower sick leave, higher customer satisfaction, and much more.

The hotel manager readily admits that he was initially sceptical. The task of mapping out challenges and facilitating future cooperation between employee representatives and management seemed demanding and complicated. "But already at the first workshop, I got excited. We all did," says Øyvind Hagen, who is now focused on hearing opinions from all employees.

He is supported by Marianne Skaro, sales manager and employee representative.

"The project has made it clear to us that better communication leads to better results," says Skaro.

For example, messages were previously conveyed on a bulletin board, which few followed up. The bulletin board was scrapped in favour of an internal Facebook page, where all employees can post and comment.

"On Facebook, we see a lot of engagement. Here, opinions surface, and it becomes a completely different form of communication than messages on a board," adds Skaro.

Quality hotel tips for other businesses:

- Respect individual differences within the company.
- Involve all employees in the processes.
- Use clear and simple communication, such as an internal Facebook page.
- Management must be available and set aside time for internal processes.

PHOTO: BENJAMIN NORDHAGEN

Photo: Prioritising cooperation between parties: Plant Director Fernando Ramos, chief union representative Joachim Andersen, and chief safety representative Ruth Bratland work closely together on business development at Eramet in Sauda.

Industry
Putting employees in the driver's seat

Eramet, an industrial group based in Sauda, Norway, produces refined manganese alloys for the global steel industry. The management actively cooperates with the union to meet future demands for competence and quality.

In recent years, requirements for safety, environment, and quality have significantly increased. To meet these requirements, the company has started the project "Learning on the Job", a learning tool aimed at increasing employees' knowledge about safety, environment, quality, and activity costs.

According to shop steward Joachim Andersen an important part of the training material consists of short video clips that the employees themselves make. In these videos, they go through specific work tasks and describe what happens in the various processes in an easily understandable way.

"Eramet Norway has very good collaboration with the unions. This is important, not only for development and work environment but also as a competitive advantage," says Fernando Ramos, Plant Director. "Since we have foreign owners, it's important to introduce them to the Norwegian model and its advantages. We do many things differently to what they might be used to, so it's important to create understanding for how we practise cooperation between parties in Norway."

SOURCE: FELLESTILTAKENE.NO

UN Sustainable Goals and social dialogue

Social dialogue and the UN Sustainable Development Goals (SDGs) are closely interconnected, with each supporting and reinforcing the other in significant ways. This synergy is crucial for achieving inclusive and sustainable development.

In February 2023, ILO released a policy brief: Social Dialogue and the Sustainable Development Goals: An Essential Synergy for Human-Centred Development and Recovery. This explores the interconnection between the SDGs and social dialogue.

According to ILO, social dialogue plays a vital role in attaining several SDGs. It is particularly instrumental in achieving Goal 8, which aims to promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all. Social dialogue contributes to this goal by protecting labour rights, addressing inequalities, facilitating wage determination, shaping national employment policies, and promoting sustainable enterprises.

Beyond Goal 8, social dialogue supports the achievement of other SDGs as well. It helps establish social protection floors (Goal 1 on poverty reduction), promotes gender equality (Goal 5), contributes to quality education and skills development (Goal 4), aims to reduce inequality within and among countries, including addressing wage gaps and promoting social, economic, and political inclusion (Goal 10) and supports the transition to greener economies (Goal 13 on climate action). For instance, through collective bargaining and tripartite consultations, social partners can shape policies on social protection, vocational education and training, and environmental sustainability.

Conversely, the SDGs create an environment that enables social dialogue. Goal 16, which promotes peaceful and inclusive societies and effective institutions, is particularly relevant. It includes targets on enhancing participatory decision-making, ensuring access to justice, and promoting non-discriminatory laws and policies – all of which are crucial for effective social dialogue.

The 2030 Agenda's emphasis on participatory governance and multi-stakeholder partnerships (Goal 17) also provides opportunities for social partners to engage in national development planning and implementation. This involvement can strengthen the role of employers' and workers' organisations in shaping policies aimed at achieving the SDGs.

However, challenges remain in fully integrating social dialogue into SDG processes. The 2030 Agenda lacks specific indicators to measure the quality and extent of social dialogue in SDG implementation. This gap makes it difficult to assess the actual impact of social dialogue on achieving the SDGs. Additionally, while the Agenda promotes civil society participation, it doesn't explicitly safeguard the role of social partners, potentially limiting the effectiveness of established social dialogue institutions in SDG processes.

To address these challenges, suggestions in the policy brief include developing self-assessment tools for national social dialogue institutions and creating global indicators to measure the effectiveness of social dialogue in SDG implementation. Such measures could better highlight the crucial links between social dialogue and sustainable development, ensuring that the voices of workers and employers are adequately represented in the pursuit of the 2030 Agenda's ambitious goals.

In conclusion, the relationship between social dialogue and the SDGs is mutually reinforcing.

> "Strengthening this connection can lead to more inclusive, sustainable, and effective development outcomes, aligning with the core principle of the 2030 Agenda to "leave no one behind."

PHOTO: JOHANNE HOVLAND

Why does social dialogue pay off?

Social dialogue is about giving employees a voice and influence, but is also about building a profitable and sustainable workplace. It is a win-win game!

PHOTO: MOMENT STUDIO

OLE ERIK ALMLID
CEO OF NHO

> If we are to create jobs, the cooperation that takes place in companies every day is one of the most important things we have – and it must be preserved. In light of digitalisation, polarisation, and increased uncertainty, the ability to find good local solutions is important to achieve changes that allow us to create value and jobs.

PHOTO: JOHANNE HOVLAND

PHAN VAN ANH
VICE PRESIDENT OF THE VIETNAM GENERAL CONFEDERATION OF LABOUR (VGCL)

> Employers and trade unions in the companies try to maintain a harmonious relation and have regular dialogues for improvement of workers' conditions as well as companies' productivity.

Mr Anh reflects after visiting the GE Healthcare in Oslo, Norway, in March 2024. The visit was part of a round table conference on social dialogue where employer associations and union confederations from Ghana, Colombia, Tunisia and Vietnam participated. The conference marked the start of the Social Partners for Decent Work programme.

Effects of social dialogue on macro and enterprise level summed up

Promotes workplace democracy

Social dialogue gives workers a voice in decisions that affect their lives, fostering a more democratic environment.

Enhances economic performance

By facilitating cooperation between workers and management, social dialogue can lead to increased productivity, improved quality, and enhanced competitiveness.

Facilitates crisis management

During economic downturns or other crises, social dialogue provides a framework for negotiating solutions that balance the needs of both workers and businesses.

Supports inclusive growth

By ensuring that the benefits of economic growth are more equitably distributed, social dialogue contributes to social cohesion and stability.

Improves policy effectiveness

When governments engage in tripartite dialogue (including workers, employers, and government), it often results in more effective and sustainable economic and social policies.

Prevents conflicts

Regular dialogue can help identify and address issues before they escalate into costly disputes or strikes.

Promotes social peace

By providing a platform for addressing grievances and negotiating compromises, social dialogue contributes to overall social harmony.

Enhances adaptability

In a rapidly changing global economy, social dialogue helps enterprises and workers adapt more effectively to new challenges and opportunities.

Supports sustainable development

By balancing economic, social, and environmental concerns, social dialogue contributes to the achievement of the UN Sustainable Development Goals.

Strengthens democratic governance

At a broader level, social dialogue reinforces democratic processes and institutions in society.

SOCIAL DIALOGUE
AT YOUR WORKPLACE

The Social Partners for Decent Work programme

The Norwegian Confederation of Trade Unions (LO) and the Confederation of Norwegian Enterprise (NHO) are joining forces to support ILO's decent work agenda. In a cooperation programme called Social Partners for Decent Work, funded by the Norwegian Agency for Development Cooperation (Norad), LO and NHO aim to contribute to strengthening the social dialogue and negotiations among social partners in Colombia, Ghana, Tunisia, and Vietnam. The main goals of the programme are decent work, sustainable economic growth, and strengthened social dialogue. LO and NHO are cooperating with their respective sister organisations, and with other stakeholders such as the state and state institutions.

The programme's activities will be carried out in the partner countries in the form of studies, workshops, and the like during 2024 and 2025.

LO and NHO have produced four pamphlets as part of the programme.

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Norway

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NHO | LO Norway

SOCIAL DIALOGUE
THE BIG PICTURE
What is social dialogue, who are the parties and what is it good for? We zoom out and look at the big picture, highlighting the Norwegian model as an example.

SOCIAL DIALOGUE
AT YOUR WORKPLACE
How can we use social dialogue to create profitable enterprises with fair working conditions? We look into social dialogue in the workplace, and share ideas on how to get started – or how to strengthen the social dialogue.

SOCIAL DIALOGUE
GENDER EQUALITY IN THE WORLD OF WORK
Gender equality in the world of work isn't only the right thing to strive for – it is the smart thing to strive for. How can social partners push for equal rights and conditions for men and women?

SOCIAL DIALOGUE
TALK WITH A COMMON VOICE
Before there is dialogue, we need representative organisations to participate in the dialogue. Employers and employees need sound, strong and democratic organisations. We look at how we can organise and build our organisations.