

---

---

# PLANNING FOR 'BUSINESS AS USUAL' **DURING A LABOUR DISRUPTION**

by: Vito Mangialardi CBCP, PMP  
Allstream - Director Business Continuity Management and Security Services

---

---

The City of Toronto recently reached a tentative agreement with the Toronto Civic Employees' Union Local 416 (CUPE), which represents the City's 4,200 outside workers. On Thursday March 3rd, the Canadian Union

the employment agreements and hire alternate staff without concern. Bargaining units have very structured agreements with owners that complicate the owner's ability to seek 'permanent' or even at times temporary replacement staff.

**EXTRA!  
EXTRA!**

**CITY WORKERS ON  
STRIKE!**



of Public Employees (CUPE) Local 79, which represents approximately 21,000 inside workers, also reached a deal with the city. The City of Toronto indicated that services and programs were continuing as usual during negotiations. However, what if a strike and a lockout occurred? How do we prepare for about strikes and lockouts for labour disruption?

This article is written based on the author's direct experience many times over with unionized labour disruption, meaning employees are not available to support business operations. From a terminology point of view, work stoppage planning (or contingency planning) is associated with labour disruption of operational staff associated with a bargaining unit (union). However, staff not associated with the union can also disrupt your business, with the difference being the business owner being able to terminate

There is a difference between a strike and a lockout, although both have the same effect and can be called "work stoppages." A strike is the mass refusal of employees to work, generally associated with employee grievances, or an expired collective agreement that has not been renegotiated to the satisfaction of both management and the union. Strikes can be over wages, pensions, health care benefits, seniority rights, health and safety conditions, job security and other issues. A lockout is when an employer refuses to allow union members to come to work unless they agree with the employer's

proposed collective agreement. Management can choose to lock out the union, or the union can go on strike, as long as actions are in accordance with the Canadian Labour Relations Act, 1995, which defines when are the parties are in a legal position to strike or lock-out.

It is estimated that nearly 30% of Canadian workers (estimated at four million plus) are affiliated to unions that include service sectors such as education, manufacturing, telecommunications, construction and health care, in both the public and private sectors. Canadian history shows that we have comparatively few strikes or lockouts. Over 95% of all negotiations end in a settlement without a work stoppage. Of those work stoppages that occur, and depending on the business sector, most are short lived, as they impact all stakeholders.

Generally, the primary objectives of work stoppage contingency planning for labour disruption are to protect your current business revenue, brand and market share considering:

- Employee safety and security (always first)
- Ensuring the integrity of the technology and infrastructure needed to deliver the products and services to market and existing customers
- To maintain customer service functions. During a work stoppage event, the business must continue to serve and respond to existing customer needs.

The planning focus is on maintaining the essential business functions that are impacted by the disruption. The plan should not be designed for an extended period of disruption,



unless so directed by management. Many studies can assist establishing duration of a strike associated with your industry sector. Whatever the timeframe established, it should be agreed to by management at the

start of the planning effort and kept confidential within the planning team. Generally I suggest planning for a 6 to 8 week period for a medium based company based on historical averages.

When planning for work stoppages, all information must be kept strictly confidential as it is deemed proprietary. There are several approaches to work stoppage planning and the methodology presented in this article is a simplified approach for getting started and can be adjusted to suite your own particular operating and labour environments.

A good work stoppage plan will contain proprietary information that could result in negative impact to the business or its customers and / or could be valuable to competitors. The plan may contain such confidential

information as the recovery strategy, time sensitive data and names and addresses and contact details of emergency management organization members. The plan should be secure (password protected), with controlled distribution. Choose an appropriate method of distribution with information security in mind.

Notwithstanding the duration of a labour disruption, it is suggested that operational Business Continuity Plans are refreshed, as you could still experience other business interruptions while in labour disruption response mode.

Work stoppage planning should have a senior management sponsor. I suggest a VP level sponsor who has the greatest potential impact to their operations should the union go on strike. Throughout the process, but especially in the initial phases, it is recommended that contact be primarily with out of scope staff (Director level or higher) to ensure avoidance of conflict of interest with labour unions.

The VP Sponsor is responsible for kicking off the work stoppage planning effort, including representing the planning team and leading or participating in key meetings and discussions and ensuring the planning process continues smoothly and executive level guidance is provided where required.

Due to the sensitive and political nature of work stoppage events and the potential effect of planning activities on labour negotiations, many activities that would be straightforward for other events can take on additional complexity in the work stoppage environment. As a result, many steps may require approval from a senior management representative.

If an organization has business continuity staff assigned, they can be responsible for representing the VP sponsor in coordination of the related work and leading the preparedness, response and recovery planning for a work stoppage event. This includes development and distribution of planning templates, assuring that plans are ready for activation, coordination of conference calls and

meetings, assisting the VP sponsor with senior management presentations, facilitating information exchanges between business units when necessary and the specific tasks outlined in the planning steps detailed later.

A Work Stoppage Threat Planning Team should include operational areas of a business (i.e. manufacturing, customer care) as well as corporate shared functions (e.g. Communications, Finance, HR).

It can be expected in work stoppage planning that some individual department members (or teams for larger organizations) may play two separate roles.

The first role is to develop plans, detailing how to respond and adapt to the temporary loss of operational staff within the affected union. Front line management staff should participate in the workforce planning piece of the response in a discrete manner.

In addition, departments that have a responsibility for a corporate response action to the work stoppage will be required to complete plans. These groups include, but are not limited to, Human Resources, Security, Corporate Communications, IT, and Finance.

This work stoppage planning generally is broken down into three overlapping phases: Pre-event, During the Event and Post-Event. For the purposes of plan activation, determine the best 'trigger' to be in a state of full readiness. Experience suggests this point in time is 72 hours, when a Union is obliged to give formal written notice of the strike to management.

The trigger for the Pre-Event Stage is the notification from Human Resources that a labour Union situation is presenting a level of risk requiring further detailed planning. Once a determination has been made that the level of risk justifies increased planning, top Management confirms assignment of a VP level individual to be responsible for collaboration in the cross-functional work stoppage planning.

This stage encompasses all the planning needed prior to the disruption. Finalizing the Work Stoppage Plan will contain 5 integrated planning steps that include:



1. Threat Business Impact Assessment
2. Alternate Resource Allocations
3. Developing Departmental Work Stoppage Plans and
4. Creating General (Front Line) Assistance Plans
5. Action Plan (Activation)

#### **1. THREAT BUSINESS IMPACT ASSESSMENT:**

The first step in the planning process is conducting a Threat Business Impact Assessment (TBIA). The goal is to gain a big picture view of the overall effects of a work stoppage on the company at this point in time. This information will help guide early decisions on how to proceed with planning and will highlight areas that require more attention and planning due to increased risks (more staff, more essential operations, etc.). A successful TBIA should result in the following:

- Identify the risks to operations and business
- Identify essential operations to be continued on a full-scale basis, reduced basis and or suspended
- Identify the minimum number of personnel required for essential operations
- List of operations/process/functions that must be preserved, or may be suspended

## **2. ALTERNATE RESOURCE ALLOCATION**

The second and most difficult step involves alternate resource allocation, which is the development of list of employees that are willing and able to function as replacements for the absent labour unit employees. Given the sensitivity of this issue, it should be approached carefully and as confidentially as possible to ensure it does not negatively impact the ongoing labour negotiations. Due to the potential implications of this work, a decision must be made at Management level or by the VP sponsor for this step to proceed.

HR can provide guidance on policy and employee rights and should be consulted closely for script development and messaging. The work in this step also places responsibility on business unit Directors / front line management staff to supply the information needed for the work to advance.

Secure from HR a list of all unionized employees who are currently in the affected units and their position in the company. Establish with the unit a list of staff who can fill the key positions identified in the TBIA. This includes non-union staff, other labour unit staff, and retirees. Each affected business unit selects staff from this list for their operational area. This would include anyone from their current business unit. A master alternate resource list is assembled and identifies areas that have the largest staffing gaps.

A planning meeting/workshop with all affected Managers and the VP sponsor is undertaken to review the resource list. All duplicate staff requests are discussed and allocated based on skills and the needs of all units. Once an employee is confirmed for duty in an alternate position, they are notified by secure communication that they have been selected, and advised of the type of work they will be doing and any training arrangements if required.

## **3. DEPARTMENTAL WORK STOPPAGE PLANS**

Step 3 ensures that each business unit that will be affected by work stoppage has a contingency plan in place. This plan

should be finalized with within one month of activation. At the end of this step, business units will have a document that outlines the processes and plans that the group will undertake during a work stoppage. The plan needs to consider the availability of qualified alternate resources identified in Step 2 and address any potential resource gaps through project suspension or reduction. If alternate resources are being assigned to the business unit, the plan should include a training plan and any other processes or procedures needed to ensure the alternate resources can do their assigned work.

The plan should also include any financial considerations for response and any additional infrastructure requirements required for the unit's response. The plan should also list dependencies, assumptions and risks.

The plan should include a 72-hour checklist. This would be initiated upon notice of a strike (at which time there is a 72-hour period before the labour action can actually begin). The checklist should include all items that need to be implemented immediately upon notification of a labour event by the union.

## **4. GENERAL (FRONT LINE) ASSISTANCE PLANS**

Working hand in hand with the business unit operational plans above, some corporate functions are also required to create front line assistance plans, which are not directly operational in nature, but provide support to staff and departments with operational functions. Front line assistance plans should be created concurrently with detailed work stoppage plans. In some cases they will be impacted by unionized labour.

General Assistance Plans will probably include departments such as: Human Resources, Communications, Finance, Security, Procurement & Vendor Management, Infrastructure Services, Property Management, and IT Access and Security. Probably not included would be areas such as Marketing and Sales.

## 5. ACTION PLAN *(Activating the plans for labour disruption)*

During the Event: the actual event phase is commenced by a decision by the President or Senior Management to operationalize the plan, signaling significant commitment to the plan and potentially significant operating costs to the company, which must be funded (allocation to be preplanned and for on demand situations).

Plans do not have to be introduced simultaneously across the whole company. Some business units may need to initiate their Departmental Work Stoppage Plans weeks before other business units, subject to their needs and the needs of their dependent groups. Action planning involves taking the individual Departmental Work Stoppage Plans and the General (Front Line) Assistance Plans and enacting the first steps in the processes outlined in the plans. Before actions are taken in each plan, approval should be granted by the VP Sponsor as you are now taking staff from normal operations and current roles and engaging them in business continuity mode, where they are assigned to other areas of the organization.

The Action Plan also includes the initiation of the 72-hour checklist immediately after a notice of intent to strike is given by the Union. This checklist will have been developed proactively during detailed planning, preparing the business for expected impacts and signifying a transition into business continuity mode, with the likely effect of putting normal business operations on hold, either partially or completely. Because of this major impact to the business, initiation of the 72-hour check list also requires VP Sponsor approval.

Constant monitoring of the plan during labour disruption is mandatory to ensure performance requirements are met to address any operations or staffing issues that may arise. This includes any unusual behaviour from the striking workforce at workplace locations (such as picketing, access issues, verbal exchanges, etc.).

Following the ratification of an agreement by a labour Union, the threat of the work stoppage has diminished and the event can move into the recovery phase or Post-Event Phase.



To ensure continuous quality improvement, the knowledge gained during the response should be captured and reviewed to enhance future responses. A Lessons Learned document should be created by the VP Sponsor.

Immediately solicit feedback from all stakeholders who were involved in the response. Once the feedback has been compiled, a Lessons Learned document is produced highlighting the overall themes from the survey and outlining any further steps needed to address the findings.

During a labour disruption it's important for the Company to ensure all information distributed to employees and the public is as accurate and up-to-date as possible. The Corporate Communications representative, or President, or designate should be assigned to manage all media inquiries. The designated Corporate Spokesperson will be the only person authorized to speak on behalf of the company. Social media should be monitored closely and items of concern promptly responded to.

One common question is: how do pandemic planning and contingency planning for labour disruption differ? Pandemic influenza is a widespread illness potentially affecting everyone, with resources become scarce and many staff in the same situation. In contrast, resources are likely to be more plentiful if a labour disruption is impacting only your business.

You can't predict a disaster or emergency to your business, however you proactively prepare to mitigate or eliminate the risk of one. ■

Images from AFIMAC GLOBAL