

Let's talk about negotiations

For contract talks, Boeing shares more information, does it earlier

For the 2008 contract negotiations with the International Association of Machinists and Aerospace Workers (IAM) and Society of Professional Engineering Employees in Aerospace (SPEEA), Boeing is sharing more information and is doing it earlier. It's part of an effort to create a more open and collaborative process—lessons learned from past experiences.

Boeing also is calling on its managers, who are often employees' first source for company information, to talk with their teams about the negotiations. Managers already share their knowledge of Boeing's business strategy, motivate teams to meet customer commitments, improve quality and safety and implement process improvements, which all contribute to the company's success.

"It's important for managers and employees to talk about issues that come up during labor negotiations, because labor contracts are a big part of our business plan and have a significant effect on employees," said Doug Kight, vice president of Human Resources for Boeing Commercial Airplanes. "These team and individual discussions are great opportunities to talk about the company's views and make sure employees have the facts."

The IAM contract expires Sept. 3 and the SPEEA contract expires Dec. 1. These contracts cover about 43,000 Boeing employees.

To ensure that managers stay informed, the company launched an external negotiations Web site (<http://www.boeing.com/2008negotiations>), Kight sends regular negotiations updates to managers, and HR generalists have been briefing managers on the negotiations process and specific pay and benefits issues. Boeing's ultimate goal is to negotiate contracts that share the company's success with employees while ensuring Boeing's competitiveness over the long term.

What are the goals for this year?

- **Listen.** Company and union leaders have been meeting for many months on many issues. These talks include meetings at many levels, including quarterly meetings with Scott Carson, Commercial Airplanes president and CEO, and leadership meetings with union leaders and Boeing President Chairman and CEO Jim McNerney, Senior Vice President of HR and Administration Rick Stephens and Vice President of Employee Relations Gene Woloshyn. The guiding spirit behind all of these meetings is one of openness, honesty and transparency.

- **Communicate proactively.** Negotiations updates, messages and background on the process are available on the external Web site. Managers should encourage employees to review this with their families so they understand the issues and the value of the company's final contract offer. In addition, Kight has entered the blogosphere, creating a virtual dialog with managers. The innerViews blog, at <http://innerviews.blog.boeing.com> on the Boeing intranet, is a valuable resource for information on the negotiations process and business issues affecting negotiations.

Doug Kight, Human Resources VP for Boeing Commercial Airplanes, addresses an employee meeting in Auburn, Wash., last month. Meetings like this reflect what Boeing is doing to create a more open and collaborative process during union negotiations.

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- **Begin early.** Boeing chose not to wait for official bargaining to start before engaging union leadership and discussing the challenges the business faces. Boeing outlined its priorities in a "Platform for Discussion" with the IAM on May 9 and will share a Platform for Discussion with SPEEA on Sept. 10. The platforms outline the key compensation, benefits, work-force and employee-relations topics that will be the major focus of ongoing subcommittee work and main-table negotiations. The IAM platform is available on the negotiations Web site and the SPEEA platform will be posted on Sept. 10.

- **Align the team.** Leaders at Corporate, BCA, Integrated Defense Systems, Shared Services Group, and Engineering, Operations & Technology are working to avoid disconnects on any issue so that they speak with one voice on any negotiations topic.

- **Focus on fewer issues.** Pay and benefits issues are complex. The negotiations team wants to avoid having too many issues on the table, which can lead to confusion and misunderstandings. The goal is to present an offer that is clear to all—including spouses and families. A successful outcome will balance how Boeing rewards employees and effectively manages costs so the company can stay in business over the long term. ■