

## **The Big Bang (or when an airline's reputation flies south!)**

Astronomers still hear the echoes of the “Big Bang” when they point their radio telescopes to the furthest reaches of the galaxy. Students of negotiation have their own equivalent here in the UK – it's a kind of a low burbling noise that, every so often, geysers into life with some new announcement, tweet, public utterance or strike. It is, of course, the ongoing dispute between British Airways and the members of its cabin crew represented by the trade union UNITE, a damaging dispute that so far:

- has cost BA millions of pounds in lost revenue
- has lost shareholders millions of pounds in share value
- has cost the travelling public towering inconvenience
- has driven a wedge between colleagues
- has moved the airline's reputation south quicker than Amundsen got to the pole ahead of Scott.

Furthermore, it is a strike that has turned rather nasty in recent months with threat and counter-threat seemingly being traded more effectively than the variables were traded in the actual negotiation itself. Finally though, I think that its dénouement is in sight.

I say that because of the recent ballot result which, on the face of it, gave the union a mandate for further strikes – roughly 2-1 in favour of further action – but which, in reality, spoke of an increasing level of frustration amongst UNITE's members and, critically, a major schism amongst the cabin crew. In the Guardian of 20 July, it is noted that less than half the eligible 11000 workforce actually bothered to register their opinion. Put that another way: 3419 voted for further strike action; 1686 voted against strike action and 5905 didn't bother voting at all – hardly a mandate for a further punishing round of strikes, I should have thought.

Interesting stuff, but here's something else: the latest offer from BA appeared to give the cabin crew most of what they had been demanding, but for one critical omission – the reinstatement of travel “perks” for all of the cabin crew that had gone on strike. The union wanted this removed, but BA has stuck to its guns and appears now to be threatening that if there is further strike action, the salaries and basic terms of strikers will also be hit.

What lessons can negotiators draw from these latest developments?

- Use of an irritant can be useful when the power balance is in your favour. The truth of the matter is that the cabin crew's cause has not been helped by the perception that they are extremely well rewarded for the job that they do and that they are easily-replaceable.
- Competitive negotiating stances breed competitive stances on the other side. This dispute has escalated enormously, the more extreme the stance has appeared from the other side. It has become a power struggle that UNITE must have thought they could win. They have backed off recently.



- Ensure that you take your constituents with you. Tellingly, UNITE left it to the membership in the final ballot. They must have suspected that the stomach for further battle was not there.
- Continually review your objectives and focus on them. Try not to be sidetracked by emotional stresses – often these are introduced by the other side to raise the temperature and get you to take your eye off the ball.

So – a victory for BA? I don't actually think so – not in the 7-0 category that some people seem to think, in any case. Their reputation for reliability is damaged; there is a brewing sense of trouble in the ranks; colleagues are not speaking with colleagues; the share price will take months to recover; the city will be skeptical that the current board of management is the correct team to drive the business forward; customers will already have looked at the alternatives and may have liked what they saw.

So – no. Not a victory for BA and certainly not a victory for UNITE, a union that thought it could apply 1970's negotiating tactics to a 21st century dispute. No one comes out of this one smelling of roses, I would say, except perhaps for BA's various competitors.

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