Edscha plant closure watch the education of Brian Nicholl

Introduction

In this study, the focus is on of Edscha. The organization is a manufacturer if door hinges. The organization is hit with recession. The organization is faced with a challenge as the employees seek their severance money. The workers are entitled to the pay under the law of Ontario. In the case, Brian Nicholl is fighting for the payment. On the other hand, Jerry Dias is the CAW winner involved in the negotiations. The organization indicated its desire to lay off 175 employees. These employees were angry for not being paid the severance fee. The union chairman indicated that employees were to lose their homes and source of livelihood. According to the union, employees are entitled to two weeks of severance pay each year. The union took the issue to the labor ministry to demand employee pay and negotiations between relevant parties are initiated. The focus of this study is analyses of the entire negotiation strategy. Proper negotiation approaches increases the chances of the party initiating negotiations meeting its goals.

**The balance of bargaining power**

The balance of bargaining power ensures that the involved parties have a standing point from where they can start yielding. When one party has all the bargaining power, then such negotiations are not balanced. In this particular cases, the balance of bargaining power occurs with the threat of employees taking the assets owned by the organization and the organization presenting the order by the ministry of labor that it should not be compelled to make severance payment if it cannot afford it.

**Shift of balance of bargaining power**

The shift in bargaining power has occurred throughout the negotiations. The organization have started exerting its influence in the negotiations by seeking the ministry of approval judgment that it should not be compelled to pay. On the other hand, the bargaining power among employees and the union have shifted with the indication that if the entity fails to offer the available amount and two machines they will go for all machinery. This shift in negotiation power puts both parties at the same negotiation platform.

Strategies employed by the union

In the bargaining process, the union have employed multiple strategies depending on the stage of negotiations. In the early stages, the union have focused on competition strategy, indicating that the organization has either to make the payment or lose its assets. As the negotiations move forwards, the union starts collaborating with the employer in finding the best solution. It focuses on the available amount of money and the assets that can be taken to meet the demands of the employees. In the final stage, the union engages in compromise. The union leader uses his experience in negotiations to reach the deal. After the organization offers 1 million dollars, he request it for additional amount and the organization equally gives in making extra $100,000 addition. The union leader accepts the $1.1 million.

Reasons for choosing above strategies

Employer strategy to avoid contractual obligation

Why the strategy worked

Importance of language clarity in an agreement

Role of the union

Tension in negotiation

Role of provincial government and outcome

Effect of economic and political environment in bargaining

Chances of improvement of union approach

Workers acceptance of the deal

Conclusions

4.3 million assets

Million dollar and 2machines, all machines

1.1 million

Equipoment not =to be sold manager

Husbands, property loss

Giovt no severace, employer and inistry, retreat

2 more machines

Risk lose verything