



## **AIB and IBOA announce next phase of partnership**

**10th November 2005**

AIB and IBOA The Finance Union have announced details of the next phase of the partnership agreement between the two organisations.

The Bank's partnership relationship with IBOA operates in AIB Bank in the Republic of Ireland, First Trust Bank in Northern Ireland and Allied Irish Bank (GB) in Great Britain.

Since 1997 AIB Bank and IBOA prompted by the terms of Partnership 2000 have been committed to developing their relationship away from a traditional adversarial industrial relations approach, with both parties adopting a partnership focus in their interactions with each other. In February 2002, IBOA and AIB jointly announced the establishment of the 'Partnership Principles', which are the cornerstone for the relationship between IBOA and AIB Management and Staff across AIB. To date the application of this relationship has provided benefits to both parties. These benefits are based on an inclusive relationship that:

- \* successfully addresses the requirements of both parties through more focused and timely delivery of business goals with staff support
- \* provides a competitive advantage through the development of solutions that are tailored to issues and challenges particularly relevant to AIB.
- \* ensures improved two way communications
- \* allows increased involvement by staff in change and decision making.

During 2003, Peter Cassells, former General Secretary of ICTU, took on the role of Chairperson of the AIB/IBOA Partnership Steering Committee. This Committee is a high level group of Bank and Union representatives who are responsible for the management of the partnership relationship between AIB and the IBOA.

Over the last six months, an extensive review of the partnership relationship has been conducted by the Steering Committee and a number of enhancements have been agreed in order to ensure Partnership will continue as a cornerstone of the way both organisations conduct their business with each other.

These enhancements include:-

- \* forming a closer link between the Industrial Relation's agenda and the strategic priorities of the businesses within the Partnership,
- \* further development of the Partnership relationships to include local management and local IBOA representatives,

\* an enhanced Industrial Relations Model and a joint communications strategy.

Underpinning all these developments is the recommitment to the original Partnership Principles as the foundation for the future.

Commenting on the development of the partnership agreement Peter Cassells said:-

" As chairperson of the AIB-IBOA Group Partnership Steering Committee, I welcome the decision of AIB and IBOA to move to second generation partnership.

In recent years, AIB and IBOA have made significant progress away from a traditional adversarial approach to staff relations by focusing on a high- trust partnership approach.

This move to second generation partnership should improve further current relations between the Bank, staff and IBOA and facilitate the management of change. This will be achieved by a closer integration of business priorities, staff needs, the arrangements for partnership and the arrangements for IR negotiations.

In my experience, AIB and IBOA are one of the first groups in this country to move to second generation partnership as the way in which business will be done at all levels of the Bank. This move should enable the Bank, staff and IBOA to embrace change in a more creative and inclusive way i.e as a mutual challenge with everyone sharing the benefits.

Making this happen will not be easy. I welcome, therefore, the level of commitment to these proposals from the Bank and the IBOA, from the very top. I am confident that this level of commitment should enable significant progress to be made to the benefit of the Bank, its staff and the IBOA. "

Larry Broderick, General Secretary, IBOA said:-

"IBOA is committed to improving the terms and conditions and maintaining secure employment for our members in the AIB Group. As we enter this new phase of partnership with AIB, it is IBOA's objective for our members, as key stakeholders to share in the enhanced prosperity of the Group.

Both AIB and IBOA have shared goals but there are times when we can also have different though not necessarily conflicting interests. As the Bank's commitment to change improves the performance of the Bank, staff will expect to share in the benefits. Our overall partnership principles and the improved negotiation procedures will enable us to address these issues in a professional manner with a view to resolving any differences in a transparent and timely manner that benefits customers, staff and the Bank."

Eugene Sheehy, Chief Executive, AIB Group said:-

" AIB is fully committed to making the traditional adversarial approach to staff relations a thing of the past. I feel that the success of the first phase of our partnership agreement with IBOA has shown that there are clear benefits for everyone involved. The Bank is looking forward to working with the IBOA to implement the enhancements recommended by Peter Casells and the partnership steering committee. This will build on the success already achieved and further strengthen the importance of partnership as being fundamental to the way AIB and the IBOA work together in the future".

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