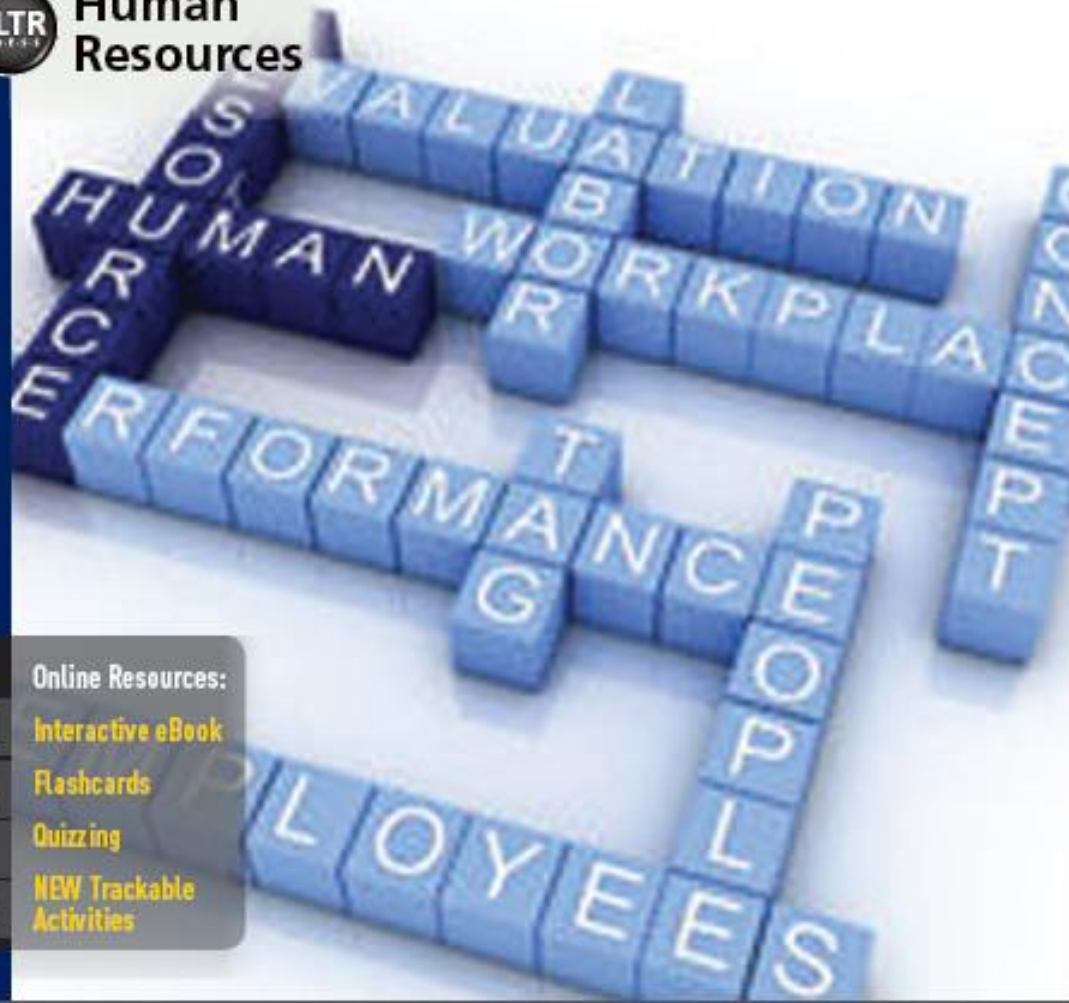


HR



Human Resources



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Flashcards

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11

Managing Labor Relations

LEARNING OUTCOMES

- 1 Describe the role of labor unions in organizations
- 2 Identify and summarize trends in unionization
- 3 Discuss the unionization process
- 4 Describe the collective-bargaining process
- 5 Discuss how labor agreements are negotiated
- 6 Describe how impasses get resolved and agreements are administered
- 7 Discuss emerging labor union issues in the twenty-first century

The Role of Labor Unions in Organizations

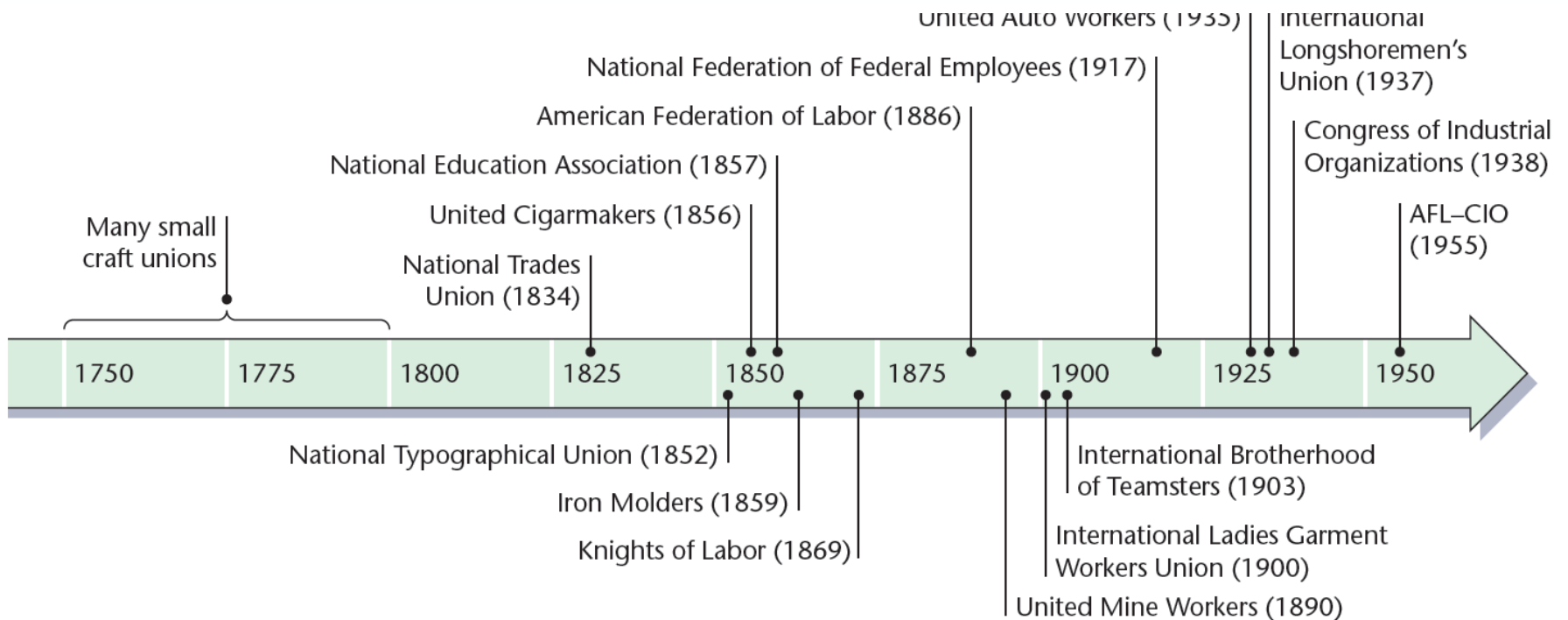
- **Labor relations:** Process of dealing with employees who are represented by a union
- **Labor union:** Legally constituted group of individuals working together to achieve shared, job-related goals, including:
 - *Higher wages*
 - *Better working conditions*

The Role of Labor Unions in Organizations

- **Collective bargaining:** Process by which managers and union leaders negotiate acceptable terms and conditions of employment for union-represented workers
 - *Also called employee relations in nonunionized settings*

Figure 11.1

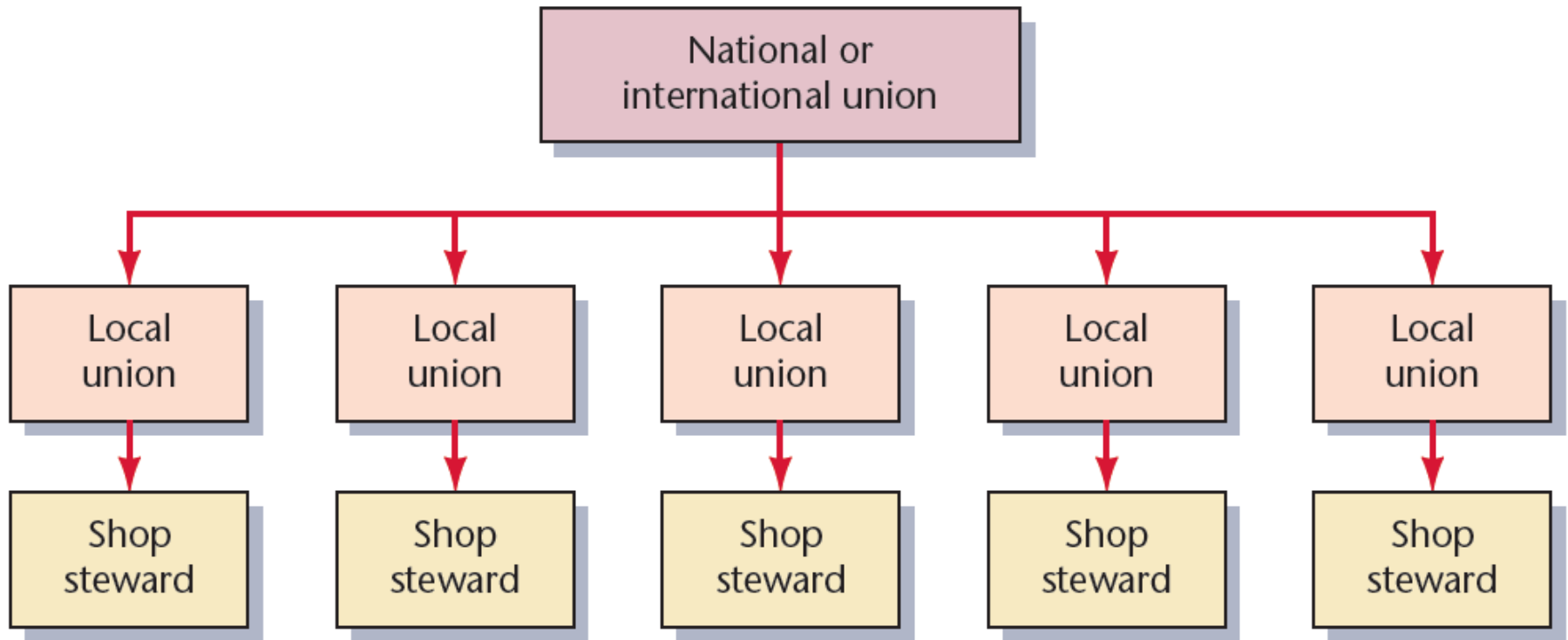
A Historical Time Line of Unionization in the United States



Source: Ricky Griffin and Ronald Ebert, *Business*, 3rd ed., © 1993, p. 264. Reprinted by permission of Pearson Education, Inc., Upper Saddle River, NJ.

Figure 11.2

The Basic Structure of a Union



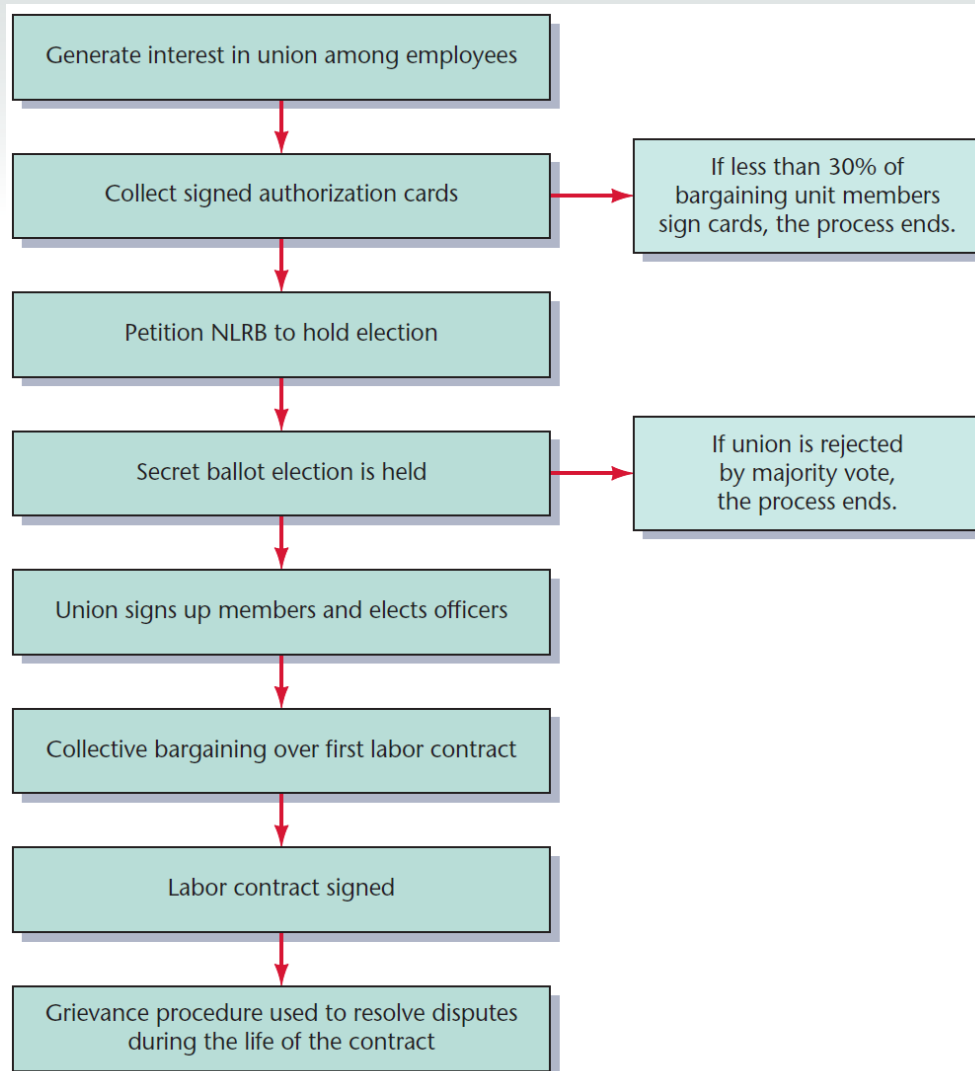
Source: Ricky Griffin and Ronald Ebert, *Business*, 6th, ed. © 2002, p. 278. Reprinted by permission of Pearson Education, Inc., Upper Saddle River, NJ.

Trends in Unionization

- Trends in:
 - *Union membership*
 - Unionization has increased in the service sector but not in the rest of the economy
 - *Union-management relations*
 - Weaker unions have taken a conciliatory stance with managers
 - *Bargaining perspectives*
 - Job security is currently a major demand

Figure 11.4

Steps Employees Use to Form a Union



From GRIFFIN, Management, 10E. © 2011 Cengage Learning.

The Collective - Bargaining Process

- Preparing for collective bargaining
 - *Examine the financial health of the company*
- Setting parameters for collective bargaining
 - ***Mandatory items:*** *Included as part of collective bargaining if either party expresses a desire to negotiate one or more of them*
 - ***Permissive items:*** *Included in collective bargaining if both parties agree*

Negotiating Labor Agreements

- Employer's points of negotiation
 - *Maximum limit*
 - *Expectation*
 - *Desired result on items being negotiated*
- Labor union's points of negotiation
 - *Minimum acceptable limit*
 - *Expectations that the management is likely to agree to*
 - *Target point*

Negotiating Labor Agreements

- Barriers to effective negotiation
 - *Lack of an overlap for the bargaining zones of the respective sides*
 - *Inept negotiators*
 - *Poor communication between negotiators*
 - ***Impasse***: *Situation in which one or both parties believe that reaching an agreement is not imminent*

Resolving Impasses

- Objective is to force the other side to alter or redefine its bargaining zone so that an accord can be reached
- **Mediation:** Involves a neutral third party listening to and reviewing information presented by both sides
 - *Makes an informed recommendation and provides advice to both parties*

Resolving Impasses

- **Arbitration:** Both sides agree in advance that they will accept the recommendations made by an independent third-party arbitrator
- **Final-offer arbitration:** Parties bargain until impasse followed by two parties' final offers are submitted to the arbitrator

Labor Unions in the Twenty-First Century

- “Replacement” sources of labor
 - *Exporting jobs overseas, use of prison labor*
- Contingent workers
 - *Use of independent contractors*
- Unions and the electronic age
 - *Advances in technology reduces the number of workers*

SUMMARY

- Labor relations is a process that takes place between the management and employees represented by a union
- Economic trends have an impact on labor unions
- Unions in the 21st century are involved in issues beyond the U.S labor force such as speaking out against child labor in other countries

KEY TERMS

- **American Federation of Labor (AF of L [p. 245])**
- **Arbitration (p. 259)**
- **Bargaining unit (p. 253)**
- **Boycott (p. 259)**
- **Closed shop (p. 247)**
- **Collective bargaining (p. 244)**
- **Congress Industrial Organizations (CIO [p. 246])**
- **Final-offer arbitration (p. 260)**
- **Impasse (p. 257)**
- **Knights of labor (p. 245)**
- **Labor Management Relations Act (or Taft-Hartley Act [p. 247])**

KEY TERMS

- **Labor relations (p. 244)**
- **Labor union (p. 244)**
- **Landrum - Griffin Act (p. 247)**
- **Locals (p. 248)**
- **Lockout (p. 259)**
- **Mandatory items (p. 255)**
- **Mediation (p. 259)**
- **National Labor Relations Act (or Wagner Act [p. 246])**
- **National Labor Relations Board (NLRB [p. 247])**
- **Permissive items (p. 255)**
- **Picketing (p. 257)**
- **Shop steward (p. 248)**

KEY TERMS

- **Slowdown (p. 259)**
- **Strike (p. 257)**
- **Union shop agreement (p. 247)**
- **Wildcat strike (p. 259)**

