



Unionization: Coming Together or Tearing Apart?

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The word “union” outside of the workplace, brings to mind thoughts of harmony and understanding, but within the workplace, it conjures thoughts of divisiveness and opposition. Business leaders fear it, some workers want it, and the U.S. government is on the verge of making unionization easier.

The Employee Free Choice Act, debated in 2008, tabled and currently slotted for the 2009 congressional session, is causing a hubbub in the U.S. due to the underlying pro-union nature of the legislation. It greases the wheels for union formation, allowing:

- Unions to form with a majority-rule sign-up
- Organizers to use Federal Mediation and Conciliation Services to negotiate the first contract if no agreement is reached within 90 days. If 30 days of FMCS involvement fails to resolve differences, then the unionization activity goes to arbitration for two years. Currently, FMCS could only be used once the union was formed
- Stronger penalties for union-blocking activities

This article looks at historical data to uncover whether the union sentiment is changing, specifically through trending aspects of work related to unionization efforts. We dig deeper by investigating the differences in the opinions of currently non-union employees who would vote “yes” versus those who would vote “no” to unionization—an analysis that uncovers the lynchpin factors that contribute to unionization.

Going Down?

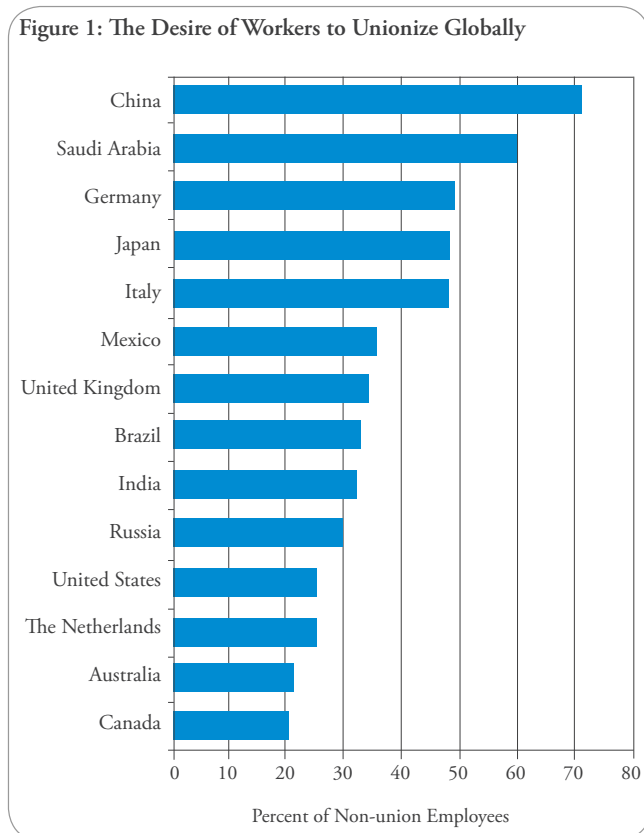
Since 1993, the WorkTrends™ study has tracked unionization rates, and they have been steadily declining (from 26% in 1993 to 18% in 2007), but in 2008, we witnessed a slight uptick of 2%. The difference is small, so it is difficult to say if this is a trend—the Bureau of Labor Statistics shows no increase in union membership.

To discern further a trend in unionization, we turn to proven indicators of unionization—employees are unionizing at lower rates, but perhaps the impetus may still exist for unionization, and the passage of the EFCA would serve as a catalyst. Data from the WorkTrends survey has tracked employee opinion on the Union Vulnerability Index (UVI) since 1994. Created at Sears-Roebuck and shown to predict unionization, the UVI measures factors that directly relate to unionization: fair treatment from managers, job satisfaction, employee recognition, company satisfaction, the physical work environment, job security, benefits, compensation and opportunities for a better job in the organization. For the most part, attitudes about these workplace issues remained stable from 1994 to 2005, but in 2007, 5-10% fewer employees felt favorable on most topics, save fair manager, physical work environment, job security and benefits, which remained stable. In 2008, the downward trend righted, and there was a slight, although not entire correction. On almost all topics throughout the years, more union employees were happier with the situation than non-union employees. While most unionized and non-union workers’ opinions increasingly diverged in 2008 in that union workers grew more positive and non-union workers negative, physical work environment entirely converged, which we can interpret as indicating an overall widening rift, except for within work environments. There is only one area in which non-union workers rate more favorably: managerial fairness. These results would indicate that workers still have reasons to unionize.

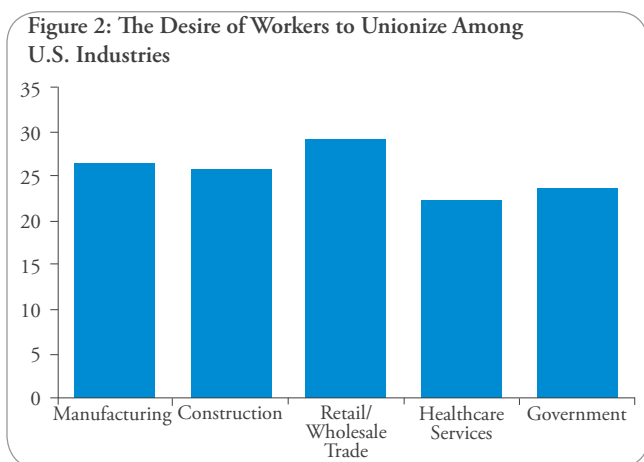
The Utilization of Unionization

Popular media might have us believe the de facto assumption is that the disenchanted worker would unionize if they could. In actuality, the data tell us that this mindset is truer in some countries than in others. When looking at frontline workers only in China, for example, 72% of non-union employees would like to unionize. In Germany, a more pro-union country in general, 49% of non-union employees would vote ‘yes.’ In

the U.S. and the UK, as well as within the more developing economies of Brazil and India, only approximately a third of non-union workers would unionize if they had the chance (see Figure 1).



Within the U.S., there are differences among industries that typically unionize, however slight. Retail and wholesale trade are most vulnerable to unionization, with healthcare showing a lukewarm response to unionization (see Figure 2).



Differences of Opinion

Not all unrepresented employees want to organize, but some do. Investigating the differences of opinions between those who would vote ‘yes’ and ‘no’, WorkTrends demonstrates where organizations wishing to avoid unionization can intervene in building a strong employer-employee relationship before the whisperings of ‘union.’ The issues that strongly differentiate employees looking to join a union from those who are not include:

- Job and company satisfaction
- Safety
- A promising future
- Trust in senior management
- Organizational ethics and integrity
- Caring for employees
- Participative workplace
- Fairness
- Equal opportunity

A safe, satisfied employee is unlikely to unionize—no surprises there. However, employees are also looking for a promising career at an organization that will be around for the long haul, trustworthy leaders and an ethical organization. Beyond an overall ethical culture and being able to report a breach, “ethical” also means not playing favorites and equal opportunity for development and advancement opportunities. Ethics and fairness go hand in hand, and specifically, employees are looking for fair pay, fair performance evaluations and fair treatment from their managers.

Last but not least, anti-union employees are looking for love from their bosses and leaders—in a professional sense, of course. They want their managers to treat them with respect, be concerned for their well-being, help them balance their work with their personal life and keep the work stress at a reasonable level. Beyond how employees are treated, employees also value an organization that invests in the community and corporate responsibility efforts.

Soliciting and listening to employee opinions shows employees that they feel valued, and indeed, employees not interested in unionization are asked to participate to a greater extent in work decisions by their manager and are encouraged to try out new, innovative ideas.

A Complex Picture

Union negotiations are about pay, benefits and security, but the WorkTrends data demonstrates that there is much more to the story. Clearly, employees need to make a livable wage, collecting fair pay for their work. Their health and safety need to be protected. If basic needs are not met, and the organization is not taking action on their behalf, it’s likely that employees will need third-party intervention.

But there's more to the story. Before there are negotiations, there are the attitudes and actions of the organization, its leaders and its management. Employees want a fair chance and equal opportunities, and to be engaged in work now and in the future. To the extent organizations can meet these needs, they are that much less vulnerable to unionization. An organization that is truly worried about employee organization into a union should first evaluate how it is doing in terms of providing a safe work environment, and the opportunities, support and resources that employees need to excel and contribute in their jobs. A focus on the important facets of the organization that are of value to your employees will help alleviate the need for them to look for help from an external source. ■

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