

# Developing a Comprehensive Labor Strategy

## Practical Steps to Start the Journey

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## Agenda

- What is a Labor Relations “Strategy” and do I need one?
- Homework – gathering the facts
- Pen to paper - outlining and making decisions
- Important considerations



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## A bit about me and Relevant Experience



- ▲ Opinions are not necessarily those of my employer(s)
  - ▲ A lot of “learn by doing”
- ▲ 25 years in Management-side Employment Law/Labor Relations (to some of you: sorry!)
  - ▲ City of Chicago (AFSCME, Firefighters, Police, Laborers)
    - Labor Arbitrations
    - Labor Board
    - Bargaining Teams
  - ▲ Law Firm – Vedder Price, Chicago
    - Labor Arbitrations
    - Labor Board
    - Bargaining Teams
  - ▲ In-house Kraft Foods/Kraft Heinz
    - Manufacturing - mix of union/nonunion plants
    - Organizing Campaign
  - ▲ Lamb Weston (current)
    - Manufacturing – mix of union/nonunion plants

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## How this came about:



- ▲ Companies grew, priorities change, all are pressed for time, resulting in constant state of “putting out fires” and lack of cohesive, broad strategy.
  - Plants were merged, taken over, etc. Each had own “personality”
  - Just kept working and dealing with day-to-day, REACTIVE
  - Collective Bargaining was all over the place, siloed
  - Seemed “normal”
- ▲ Recently:
  - Covid
  - Economy
  - Labor Shortage
  - Wholistic approach – union and non-union facilities - consistency
  - What if . . .

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# What is a Labor Relations strategy?



Understanding the *goals and needs* of the organization and developing a plan to achieve those objectives.

- A structured exercise to capture and redirect the effort and time put into constantly *reacting*.
- A planned approach to having the kind of labor relations the organization believes will be most beneficial to its own institutional interests.
- Develop a clear understanding of how best to manage and operate to *execute the goals of the organization*.
- May enhance relations between the parties
  - Less “sweating the small stuff” with bigger goals
  - Including both difficult and successful union/employer relationships
- Incorporating the best approach to dealing with both *labor law and labor relations*.
  - Labor law requires a knowledge of the relevant Labor Statute, relevant case law, and collective bargaining agreement(s).
  - Labor relations deals with the different ways representatives of labor and management work with one other

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# Do I need one?



▲ Consider:

- Are we satisfied with the present labor-management relationship?
- Is there a clear understanding of what the organization wants to achieve in its conduct of labor relations? Are we advancing the goals of HR/Organization through labor relations?
- If we are involved with traditional adversarial labor relations, are we being successful; in other words, are we winning often enough?
- Are we proactive?
- If we are not satisfied with the current state of labor relations, do we have a plan in place to change the relationship?

If the responses are mostly “no”, then it would be worthwhile to develop a labor relations strategic plan

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# Types of LR Strategies



- **Compliance** - the enforcement of rights and obligations created by statute and by contract. The effectiveness of this strategy depends on the ability and skill to force the other party to do what the law or the parties' contract requires it to do. Focuses on the enforcement of rights and obligations.
  - Commonly used
  - Adversarial, process-oriented, winners and losers
  - Little, if any trust on either side
  - Requires experts, knowledge of rules and process
  - Litigious, Expensive
  - Often “toxic” relationship
  - Problems?

Source: Guidance on Developing a Labor Relations Strategic Plan - FLRA.gov

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# Types of LR Strategies



- **Collaborative** - an interest-based approach to conflict resolution. Each party acknowledges that the other brings value. Focuses on the interests of the parties, not law and policy. Union is involved early in the decision-making process, before final decisions are made.
  - Effective communication
  - Trust and commitment is essential
  - Intent is for parties to focus on problem/conflict and not one another
  - Tends to streamline quality of decision and implementation
  - May negatively impact the credibility of union to its members
  - Other employees may view management as “selling out” to union members
  - Time consuming
  - Problems?
- **Combination**

Source: Guidance on Developing a Labor Relations Strategic Plan - FLRA.gov

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## How do I begin?

### The Homework



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## Getting Started - Homework

(\*Management perspective; reverse for Union planning )



You must know where you are starting before you can progress:

1. Assessing the Current LR Strategy or Practice
2. Realistic evaluation of Labor/Management Relations
3. Tools:
  - HR/Corporate Mission statement and goals
  - Relevant laws
  - Policies and CBAs

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# Getting Started - Homework

(\*Management perspective; reverse for Union planning )



## Assessing the Current LR Strategy/Practice

- Do we know what strategy we are using?
  - Advantages and Disadvantages of that type
- Is it effective ?
  - If so, get it on paper, tweak, etc.
- What exactly is working?
- What, in detail, is not working?
- Is this strategy advancing our business goals?
  - The *right* ones?

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# Getting Started - Homework

(\*Management perspective; reverse for Union planning )



## Evaluating the Current State of Labor-Management Relations

- Define the relationships with each union at each facility
  - What's the flavor? Combative? Hostile? Pleasant? Agreeable?
  - Grievances, mediations/arbitrations, bargaining
- What are the current problems?
- What are the current symptoms?
- What is causing the problems?
- Why are these problems coming about?
- Is this relationship advancing or hindering our business goals?

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# Getting Started - Homework

(\*Management perspective; reverse for Union planning )



## Tools

- What is your HR/Corporate Mission statement?
- What are relevant HR/Corporate goals LR can address?
- Know:
  - Relevant Labor Laws
  - CBAs
  - Policies

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## Pen to Paper

Outlining and making decisions



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# Pen to Paper Labor Relations Strategy Statement

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## Develop a Labor Relations Strategy/Mission Statement

- 📌 Consider HR/Corporate statement
- 📌 Consider business goals LR supports
- 📌 Consider all aspects of Homework



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## Pen to Paper – SAMPLE LR Strategy Statement

(\*Management perspective; reverse for Union planning )



**Labor-Management Relations Mission Statement.** The mission of the Company and the Union with regard to labor-management relations is to: Maintain a relationship founded upon trust, cooperation and shared goals.

- 📌 Assure that decisions relating to interpretation and administration of the Agreement are fair and appropriately balance the interests of the parties.
- 📌 Engage in a participate effort to oversee the relationships between management employees and bargaining unit members.
- 📌 Communicate in an open and constructive manner. Encourage the dissemination of timely, relevant information so that decision-making and the management of change can occur at the most effective level possible.
- 📌 Promote total commitment from every Company employee, both management and bargaining unit, to improve the working environment and support the organization's efforts to prosper and grow.

\*\*Sample Statement from <https://www.lawinsider.com/clause/labor-management-relations-mission-statement>

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# Pen to Paper – Making Decisions

(\*Management perspective; reverse for Union planning )



## Getting Started:

- Use the Homework (Assessing the current LR Strategy/Practices; Realistic evaluation of Labor/Management Relations:
  - Short statement: Acknowledge where we are, short statement
  - Short outline: Where we want /need to be, what HR/Corporate goals can we advance? Use Strategy Statement as your guide.

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# Pen to Paper – Making Decisions

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- Daily Interactions - who is spokesperson? Do many company employees participate?
- Grievance Process – settlements?
- Arbitrations – settlements?
- Collective Bargaining – planning (individual and platform wide), at the table, etc.
  - What do we need/want \_\_\_\_\_ to look like from Company perspective?
    - What are our obstacles?
    - What are our easy wins?
  - How can we get there:
    - Application of Tools and Beyond:
      - Brainstorm – internal and externally, with connections
      - Creativity
      - Debate
      - Research

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### Labor Relations Strategy Guide

Date: \_\_\_\_\_

Next Check in Date: \_\_\_\_\_

|                                    | Statement | Notes |
|------------------------------------|-----------|-------|
| Corporate Mission statement:       |           |       |
| HR Mission Statement:              |           |       |
| Labor Relations Mission Statement: |           |       |

|                                           | Statement | Notes |
|-------------------------------------------|-----------|-------|
| Current State of Labor Relations Overall: |           |       |
| By Location:                              |           |       |
| 1)                                        |           |       |
| 2)                                        |           |       |

|                                    |                       |
|------------------------------------|-----------------------|
| Labor Relations Mission Statement: | Actionable, Key Words |
|                                    |                       |

|                  |                |
|------------------|----------------|
| Resulting Goals: | Ideal Timeline |
|                  |                |

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## Putting it all together\*

(\*Management perspective; reverse for Union planning)



| What We Need/Want LR to look like: | Action Items | How to get there |
|------------------------------------|--------------|------------------|
| Overall:                           |              |                  |
| By Location:                       |              |                  |
| 1)                                 |              |                  |
| 2)                                 |              |                  |

By Location, as appropriate

| Location #1            | Considering Mission Statement: Areas for Improvement | Considering Mission Statement: Ideas/Action Steps to get there: | What does success look like? |
|------------------------|------------------------------------------------------|-----------------------------------------------------------------|------------------------------|
| Daily Interactions:    |                                                      |                                                                 |                              |
| Grievance Process:     |                                                      |                                                                 |                              |
| Arbitrations:          |                                                      |                                                                 |                              |
| Collective Bargaining: |                                                      |                                                                 |                              |

| Location #2            | Considering Mission Statement: Areas for Improvement | Considering Mission Statement: Ideas/Action Steps to get there: | What does success look like? |
|------------------------|------------------------------------------------------|-----------------------------------------------------------------|------------------------------|
| Daily Interactions:    |                                                      |                                                                 |                              |
| Grievance Process:     |                                                      |                                                                 |                              |
| Arbitrations:          |                                                      |                                                                 |                              |
| Collective Bargaining: |                                                      |                                                                 |                              |

Future Check in Dates:

- What's working, what's not
- Overall wins, challenges, losses
- Location wins, challenges, losses
- Next set of goals?

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## Next Steps

(\*Management perspective; reverse for Union planning )



- ▲ Action steps to achieve goals
  - ▲ Plan, execute, measure
  - ▲ Stick with them, but be realistic and flexible where necessary
- ▲ Regular check-ins
  - ▲ What is working?
  - ▲ What is not working?
  - ▲ Are we advancing HR/Corporate Goals?
- ▲ Develop plan to implement the strategic plan
- ▲ Develop approach to evaluation of plan
  
- ▲ What else?

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## Final thoughts



- ▲ Open mind, attitude
- ▲ Adapt and change
- ▲ Union and non-union
  - ▲ Share information, best practices
  - ▲ Nonunion handbook – across facilities
- ▲ Change Management – getting buy in
- ▲ Keep good notes – the WHY

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Thank you!

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## Labor Relations Strategy Guide

Date: \_\_\_\_\_

Next Check in Date: \_\_\_\_\_

|                                    | Statement | Notes |
|------------------------------------|-----------|-------|
| Corporate Mission statement:       |           |       |
| HR Mission Statement:              |           |       |
| Labor Relations Mission Statement: |           |       |

|                                           | Statement | Notes |
|-------------------------------------------|-----------|-------|
| Current State of Labor Relations Overall: |           |       |
| By Location:                              |           |       |
| 1)                                        |           |       |
| 2)                                        |           |       |

| Labor Relations Mission Statement: | Actionable, Key Words |
|------------------------------------|-----------------------|
|                                    |                       |

| Resulting Goals: | Ideal Timeline |
|------------------|----------------|
|                  |                |

| <b>What We Need/Want LR to look like:</b> | <b>Action Items</b> | <b>How to get there</b> |
|-------------------------------------------|---------------------|-------------------------|
| <b>Overall:</b>                           |                     |                         |
| <b>By Location:</b>                       |                     |                         |
| <b>1)</b>                                 |                     |                         |
| <b>2)</b>                                 |                     |                         |

**By Location, as appropriate**

| <b>Location #1</b>            | <b>Considering Mission Statement:<br/>Areas for Improvement</b> | <b>Considering Mission Statement:<br/>Ideas/Action Steps to get there:</b> | <b>What does success look like?</b> |
|-------------------------------|-----------------------------------------------------------------|----------------------------------------------------------------------------|-------------------------------------|
| <b>Daily Interactions:</b>    |                                                                 |                                                                            |                                     |
| <b>Grievance Process:</b>     |                                                                 |                                                                            |                                     |
| <b>Arbitrations:</b>          |                                                                 |                                                                            |                                     |
| <b>Collective Bargaining:</b> |                                                                 |                                                                            |                                     |

| <b>Location #2</b>            | <b>Considering Mission Statement:<br/>Areas for Improvement</b> | <b>Considering Mission Statement:<br/>Ideas/Action Steps to get there:</b> | <b>What does success look like?</b> |
|-------------------------------|-----------------------------------------------------------------|----------------------------------------------------------------------------|-------------------------------------|
| <b>Daily Interactions:</b>    |                                                                 |                                                                            |                                     |
| <b>Grievance Process:</b>     |                                                                 |                                                                            |                                     |
| <b>Arbitrations:</b>          |                                                                 |                                                                            |                                     |
| <b>Collective Bargaining:</b> |                                                                 |                                                                            |                                     |

**Future Check in Dates:**

- **What's working, what's not**
- **Overall wins, challenges, losses**
- **Location wins, challenges, losses**
- **Next set of goals?**