# Business case study sample

Literature, Russian Literature



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Labor unions are the legally accepted representatives of the workers in most organizations in the United States. Currently, the activities of labor unions are centered on the collective bargaining over working conditions, wages and benefits for the members and also representing members in cases of disputes with the management for violations in provisions of contracts. Other larger unions engage in the electioneering and in lobbying activities and the federal and state levels. In the year 2010, the proportion of workers that belonged to unions in the United States was 11%. In the private sector, union membership has fallen to the levels that are below 7%.

Even though membership has become much smaller in comparison with the peak memberships in the 1950s, the American unions have remained to be an important political aspect through coalitions with organization activists who are like minded in issues such as trade policy, immigrant rights, living

wages and health care campaigns. In order to join a labor union, the workers may either receive a voluntary recognition from the employers or have majority of the workers with similar requirements vote for a union representation. For both the cases, the government has to certify the union that has newly been formed. There are other forms of unionism that exist and these include solidarity unionism, minority unionism and Industrial Workers of the World.

The labor laws in the United States are a heterogeneous collection of federal and state laws. The Federal laws do set the standard which govern the rights of workers to form unions in the private sector and also takes precedence over most of local and state laws which attempt to control this area. Both state and federal laws protect the workers from discrimination in the field of employment. The National Labor Relations Act provides the workers in the private sector the rights to be able to choose whether they want union representation and it then the National Labor Relations Board is established to hold elections for that reason. As it was enacted in the year 1935, the National Labor Relations Act makes it unlawful for the employers to show discrimination against the workers for the reasons of their membership to unions or also retaliate against workers for their engagement in organization of campaigns and other activities in the formation of unions.

#### **Labor Laws on Unionization**

The United States Congress tightened restrictions on unions in Labor

Management Reporting and Disclosure Act of the year 1959 that regulates
the affairs of unions in the private sector through providing the minimum

standards for internal disciplinary proceedings of the unions, the unions elections for their own officers and the use of union funds by the officers. The labor laws do not provide the employees of local governments and states with the rights of organizing or engaging in the activities of union except to the point that the constitution of the United States protects their rights to the freedom of association and speech. The constitution provides little protection for the rights of governmental employees' involvement in collective bargaining. Even though it bars employers from retaliation against their employees for formation of unions, it does not require that those employers recognize those unions and much less to bargain with it.

Most of the states provide the employees in the public sector with limited legal protections. Few laws permit the public employees to go on strike in supporting their demands. However, some states mostly in the South have illegalized for governmental organizations to enter into agreements of collective bargaining with a union. Most part of the National Labor Relations act regulates the right of organizing, striking and engaging in collective bargaining. The National Labor Relations Board possesses the exclusive jurisdiction in the determination of whether an employer is engaging in unfair labor practice and also to decide the remedies that should be put in place. It is more evident that the labor laws supports and encourages unionization for all the workers for better working environment and payments.

## **Teaching Assistants**

Most graduate teaching assistants have recently wanted to unionize but they have faced frustrations by the 2004 ruling from the National Labor Relations Board that says they cannot unionize for the reasons that they are students and not employees. However, the graduate assistants have received some encouraging news that the labor board has issued a decision which lays a groundwork to overrule the 2004 ruling which is said to have been issued by a National Labor Relations Board which was Republican-dominated. The graduate students and the United Auto Workers are hoping that the labor board will rule that the teaching assistants should be considered as employees and therefore will have the right to unionize.

Records clearly indicate that the teaching assistants perform services that are an integral aspect of the graduate education and for which they are compensated and hence should be considered as employees. In the 2000, most of the New York University teaching assistants voted to be incorporated in the auto workers union. Two years later, they were the first group to sign union contracts with administration of a private university in the United States. The four year contract resulted to stipends being raised by almost 40%, their health benefits were improved and also the teaching assistance were paid extra if they worked for more than 20 hours in a week.

# Management's reactions to employee interest on unionization

United States has very low levels of collective bargaining and union membership of the industrial nations and this oppressive trend that hinders employees from forming unions freely is being distributed around the world.

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Anti-worker governments can be said to be the main reasons for the decline in the union membership in most of the countries even though in the United States, there are other added factors such as illegal employer opposition and aggressiveness. The intensity of opposition by the employers and government's hostility to employee's collective bargaining in the US is exceptional among the developed nations.

There is increased evidence that employer groups, consultants and multinational corporations have been exporting anti-union strategies originated in the United States to other developed countries. Strengthening the rights organize and having a collective bargaining would be a benefit not only to the American employees but also employees in other nations. Most employees have a desire to form unions. Over a half of the employees in the United States would join a union if they had an opportunity to do so but very few of the have a chance to do so.

The resistance on the management to unionization is one of the factors that have been a deterrent to the growth of unions. Attempts to hinder formation of unions have been put through in various ways such as harassment of the people who seem to be potential union leaders, through firing of potential union leaders and also failure to seriously bargain over the first contracts. Other means have included small pay rises, programs that are employee involving and other forms of financial inclusion in the firm's profits. The growth in the management's opposition to unionization has intensified and this is seen where the management goes to the extent of hiring consultants who are used to stop unionization and also using labor practices that are

unfair. Studies have shown how the employers can utilize harsh anti-union practices to stop their employees in getting labor contracts.

#### The reasons for RAs need for union representation

The resident assistants' jobs can be very gratifying, just like a leader of a group of residents through an educational or a social program that is successful. Similarly, the position of can be disturbing for example when a residents assistant finds threatening notes or shaving cream that has been left in their room by disgruntled residents. It can also be difficult for the resident assistants to deal with disturbing residents or solve disciplinary cases that involve peers. Some of the challenges faced by resident assistants were highlighted by an undergraduate student Gregory Essopos who had been a resident assistant for a period of 3 years. He indicated that the 50% turnover among the RAs was a good sign that problems existed in the positions.

It is a fact that if workers are satisfied with their jobs, they would not have a reason to form unions. It is therefore clear that in the case of the RAs, they were not happy about their jobs. Later after Gregory Essopos highlighted the challenges of the RAs, two of them were fired by the Residence Life staff for the reasons of violating the students' code of conduct. Most of the other RAs termed the firing as arbitrary and questionable. For such reasons for which those two RAs were terminated, a resident would only be given a warning while an RA would be fired and at the same time lose the housing benefits.

The RAs called a meeting and they held discussions on the need for a union that would represent Resident Assistants in considerable disagreements and

also to address the concerns of the RAs. During the meeting, a major concern came up on the need of creating a disciplinary grievance procedure that is fairer. After a grievance subcommittee was formed, two of the members of the committee talked to the GEO on the issue of forming an RA union. The GEO had previously represented research assistants, teaching graduates and the ARDs and as a result an organizing committee was created and 12 RAs were present in the first meeting. The complaints of the RAs were similar with those of employees in that they demanded for respect and dignity on the job.

The Resident Assistants were going through financial constraints. They were getting paid \$140 in a week while \$90 was taken out to cater for the costs of housing and as a result they were left with a salary of \$50 having worked for 20 hour in one week. Most of the RAs felt that they were being underpaid considering that they were on-call all the time and that they were on work for more than 20 hours in a week. The RAs complained that they disgusted by the working conditions, questionable terminations, vague contracts and underpayments and in my view the RAs had legitimate job-related concerns that needed to be adequately addressed.

#### **RAs opposition to unionization**

Resident assistants that were opposed to the idea of unionization were viewed as the traitors by their counterparts but they stood firm with what they believed in. They were in support of the university administration's position which had refused to agree to voluntary recognition. The position of the university was quite strong and in a certain meeting the Chancellor

stated that "The undergraduates at this university are students and the administration cannot support their efforts to unionize and will strictly follow the already established procedure in expressing the university's position on this petition for recognition."

Just shortly after the chancellor's statement, the UAW went on to file a petition for an election with their counterparts the LRC wanting to be certified as the main bargaining representatives of the resident assistants employed by the Board of Trustees of the university. The degree of job dissatisfaction that was felt by most of the resident assistants was not in the minds of all the RAs. Those who were not supporting the union said that their counterparts were putting a twist on the real issues. The argued that twice as many students had applied for the jobs of resident assistant just that not enough slots were available for all of them.

They were also arguing that of the 13 out of 700 resident assistants that had been fired had the right to go on and appeal the termination but none of them did. The anti-unionist also said that the conditions offered to the resident assistants were very good and that they do get free double single on the campus. The resident assistant get respect from the ARDs, the Ads and police department and this according to those opposed to the union was a reason for not forming a union. They also did not see a reason to have a resident assistants' union in the campus as it would result to disagreements and chaos.

They also said that if would bring too much turmoil as everybody would have their own different views and for that reason nothing would ever get done. Those against the union saw it as a bad idea saying that they would later on face the consequences of forming a union as they did not think the university was an appropriate situation for a union. They argued that a union in the university would change the culture of the residence life as the students would get the striking action mentality that is perceived to be part of the ways unions demand for their rights. It would also inevitably bring politics and controversy at the university.

## Comparison between public and private sector unions

Public sector unions can be described as trade unions which mainly represents the employee's interests within a public sector. The public sector unions have resulted to being more influential in some parts of the world recently due to easy corporate opposition to unions that are in the private sector. One of the key distinctions between the private sector unions and the public sector union is that the unions in the private sector have to respect the employer's decision whereas those in the public sector do not have to. The leaders of unions in the private sector bargain for benefits while putting in mind that demanding for excess will result to company laying off some of the employees so as it does not go bankrupt.

In the private sectors unions, when the employees go on strike, the end up losing their wages. The private sector owners and managers have the right to resist some demands by the unions that seem unreasonable, mostly on issues of retiree health care and pensions. If the managers of the private sector companies make unwise decisions that would impair the profitability of the company it is immediately reflected in the value of the company. In

comparison, unions in the public sector are not confined the employer's decisions. The final decision is the taxpayers' pockets. Public sector unions would not be in existence without union dues that are forced. The unions in the public sector do not bargain with the taxpayers who foot the bills.

When the employees are on strike, they do not pay any penalties even when they have withdrawn their services. Unlike the unions in the private sector, a public union has natural monopoly over the public services and it is this monopoly that gives union leaders in the public sector much more power over the elected officials. The money that public sector unions gather in dues is used to elect those politicians who seem to support the objectives of the unions. Public sector unions can therefore be said to play a role in the elections of their management team and this makes the unions have a say in both sides of the bargain.

# **Ruling of the LRC**

In the month of June 2001, the West University went on to file a motion with LRC so as to dismiss the petition they had filed for certification based on the fact that collective bargaining laws did not necessitate a collective bargaining between any university and undergraduates performing services at universities for reason of their status as students. Later between the months of June and July, the LRC conducted a hearing where the union and the university presented documentary evidence and testimony. The main contested issue was on the resident assistants' dual employee/student status. In the hearing, concerns about the correctness of the students being involved in collective bargaining were raised by the university.

One of the graduate students had filed a grievance that he had not been rehired as a graduate assistance in the following year. According to the university, the said student was not rehired for the reasons of unsatisfactory academic progress. The conflicted revolved between academic-related issues and employment-related issues. It was believed that such conflicts would come up again if resident assistants were involved in collective bargaining. On January 18th the following year, the LRC ruled that CDAs and RAs had the legal right to engage in collective bargaining.

It continued to direct that an election be held so as to determine if the CDAs and RAs desired a representation and the elections would be a secret-ballot election. CDAs and RAs that were on the university's payroll and had not quit their jobs or been terminated were eligible to vote in that election. LRC also ruled that CDAs and RAs at the university were in the same bargaining unit and not in separate. I do not agree with the LRC to give the students the right power to unionize at the university because they are first students before they are employees and giving them power to unionize would even play part in making the students lose their main aim of being at the university.

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