

Collective Bargaining Institute for High School Students

For more information about the entire Workplace Issues and Collective Bargaining in the Classroom curriculum, contact the California Federation of Teachers Labor in the Schools Committee or United Teachers Los Angeles Collective Bargaining Education Project (Ltubach.cbep@yaho.com). Order from the California Department of Education, (CDE Press item number 007110).

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TEACHER/COACH INSTRUCTIONS

Remember that your job is to facilitate the process, to tell students what the various considerations are at any given point, help them to understand the source of their power to achieve their goals, and encourage the students to debate and decide what to do. The goal for all teams is the same—to reach a tentative agreement on the 4 issues, one that would be later ratified by the workers and business owners who their teams are representing. Don't forget to refrain from talking during the teams' face-to-face collective bargaining sessions. And please insist that each student speak on their issue in every round of negotiations—don't allow a "chief" negotiator to evolve who does all the talking. Try to keep everyone collectively involved!

1. For this 4-hour role play lesson/workshop, students will be divided into sets of union and management teams, Union #1 and Management #1, U #2 and M #2, U #3 and M #3, representing the employees at Getwell Hospital #1, Getwell Hospital #2, Getwell Hospital #3, and so-on. Ideally, 4 students will be on each union or management team, each student to represent for one of the 4 issues in the negotiations, and a "coach"* will be assigned to each team. All teams will have the same starting points so that students will be able to compare and analyze the different outcomes after the role play is over. **Reminder: all teams have the same goal—to reach a tentative agreement on the 4 issues, one that would be later ratified by the workers and business owners who their teams are representing.**

* "Coaches" are volunteer labor relations professionals, from local unions, the central labor council and business community, law firms, Federal Mediation and Conciliation Service, National Labor Relations Board, and LERA (the Labor and Employment Relations Association). These organizations can also send mediators and discuss unfair labor practices. The teacher can e-mail an invitation with the date and the student materials. Coaches should meet briefly before the simulation begins to get team assignments, review the workshop's goals for the students, the coach role, the bargaining sequence, and costing-out formulas.

2. After the teacher assigns the student teams, **the students will caucus (meet privately) with their respective teams at tables marked with the team numbers for about an hour to prepare for Round 1 of bargaining using 3 handouts.** (If coaches are available from the local

labor movement and business community, they will introduce themselves to the whole class and then join a team to mentor students by caucusing with them on their proposals.)

In this first team caucus, everyone introduces themselves and gets 3 handouts: a Planning Form for Round 1, a Negotiations Chart, and either a Union or a Management Fact Sheet depending on their team (confidential). Next, each team member should **take a turn to read aloud each paragraph** of the confidential Fact Sheet, while everyone listens and underlines important ideas. No silent reading please! (Reminder: all teams have the same starting points so that the different outcomes can be effectively compared later.)

3. The next step in this first caucus is for everyone to **take notes on the Planning Form for Round 1** of bargaining. Begin by discussing the issues one at a time as follows: first, clarify **the team's goals** on each of the 4 issues, and then develop first proposals on each issue. After coming up with first proposals, students should write down opening statements that **include supporting reasons, explanations, arguments, and costs** (use the formulas given) for each increase in wages and benefits. Be sure to discuss the significance of the hospital workers' recent strike vote. **All teams will make changes and new proposals in Rounds 2 and 3, to try to reach a tentative agreement**--see the Negotiations Chart.) (Coaches should be good role models, take notes and show students how to cost out the proposals for fact-checking at the bargaining table.)

4. **After reviewing all the issues and completing the Planning Form for Round 1, the team is ready to divide its labor for the presentations at the bargaining table: each student chooses an issue to be the spokesperson for, in every round of negotiations.** (Please insist on equity: talkative students should hold back until each person finishes and then add support. This will communicate more "collective" power to the other side.) The team should also select one person to be a chief "moderator," to facilitate the team's presentation of their proposal package to the other side, ask for questions and discussion, and call for the team caucuses. (Teams must caucus before presenting any new proposals.) Finally, the team sends a messenger to the other side to let them know they are ready for bargaining.

5. **Round 1 begins when the Union team is ready to present their first proposal package, Proposal #1 on the Negotiations Chart.** (The Union side is the moving party and goes first. The Management team doesn't have to be completely ready, since they should caucus after the union finishes their presentation anyway.) Labor and management teams will meet at a "bargaining table" and **start by reviewing these ground rules**: clarify who will chair the meeting (which side is presenting and who is the team moderator), respectful language, no interruptions until team presentations are finished **as a package**, take notes on the Negotiations Charts. All questions/comments should be made after presentations are complete and teams must caucus

before presenting any new proposals, (or in other words, between each column of proposals on the Negotiations Chart). (Coaches will refrain from saying anything during the bargaining process; pre-arrange a signal to caucus.)

6. After ground rules have been reviewed, **the union team moderator will direct the union team members to explain the proposals along WITH their supporting REASONS, the cost AND THE MATH. Management** will listen and take notes on the Negotiation Chart, ask questions and comment, and **then will briefly caucus** before returning to the bargaining table to present Management's Proposal #1. The union team will listen and take notes on their Negotiation Charts, ask questions and comment, and **then will caucus** to prepare Union Proposal #2...

7. **Round 2 begins** when the union team is ready to present their second proposal to the management team. Management will listen, take notes on their Negotiation Charts, ask questions or comment, and then caucus to prepare their proposal #2. In this manner, caucusing between each new proposal, the bargaining process will continue until an agreement or impasse is reached. **Note: it is extremely important that every team caucuses between each new proposal package—to make collective decisions that will best represent the collective interests of who they represent (the workers or the owners).** In fact, caucuses can take place when any team member needs to have a private group discussion...

8. Mediators (a teacher, or representative from the FMCS, or...) may be called upon by either side or both in efforts to resolve various problems. Usually, a tentative agreement will be reached at the very last minute. If no agreement appears likely, either team may request assistance from a mediator. Alternatively, the union team may decide to strike or the management team may decide on a lock-out. **The purpose of the exercise is to try to reach a tentative agreement before the workshop has to end.**

9. When time is up, each team should present a **brief report** to the entire assembly covering the following questions: **Was an agreement reached? What was the total cost of the new agreement? What was the most difficult issue to resolve and why? Why are unions important? For further discussion: Why are the teams' outcomes different? From this experience, what is relevant to students' futures as working adults? To solving other types of social problems in our world today?**

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Union Coach Instructions

Goals of the Session:

- * to teach students that unions give workers a voice in determining their wages and working conditions.
- * to show that the union's power comes through its ability to take collective action. In this case, the members have taken a strong strike vote and are prepared to strike, if a tentative settlement is not reached by the end of negotiations.
- * to help students establish the union's priorities in bargaining, which issues are most important to its members and issues on which they are willing to compromise.
- * to assist students in developing fall back positions for successive rounds that would be acceptable to the other side, while at the same time, making sure that union compromises as little as possible on its priorities.

Power

- * Be sure that students understand that the source of their power to achieve the best outcome in negotiations is in their collective labor (skills and knowledge), and ultimately in their ability to withhold their labor from the employer.
- * Urge them to think creatively about collective actions and statements they can make at the bargaining table to demonstrate their power and integrate these ideas into their supporting arguments for each issue.

Management Coach Instructions

Goals of the Session:

- * to teach students the value of collective bargaining as a problem-solving tool in the work place and practice the skills of strategic planning, negotiation and compromise.
- * to help students understand the mutual benefits to both sides when workers needs are satisfied through the collective bargaining process. For example, management benefits from a reduced turnover rate, increased worker productivity, etc.
- * to help students redefine the concept of winning to include the idea that **both sides can win** in collective bargaining. Winning does not have to mean that one side should lose in order for the other side to win.
- * to help management understand the importance of coming to a tentative agreement by the end of the day. Otherwise, union has threatened to strike, and this could be very costly in terms of employee relations, negative publicity, and loss in profits. * to challenge the stereotype of management as concerned only with profits at the expense of workers.

Power

- * Be sure that students understand that the source of their power to achieve the best outcome in negotiations is in their control (for the owners) of the company's finances/budget, i.e. the capital of the business.
- *Urge them to think creatively about actions and statements they can make at the bargaining table to remind workers of management's power, and integrate these ideas into their supporting arguments for each issue.

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AGENDA

First hour **(Coaches meet to review coach instructions and get union or management team assignments.)**

Students get team assignments (U1, M1, U2, M2, U3, M3...) and caucus with their team to review handouts and prepare for Round 1 of bargaining.

Second hour **Bargaining Sessions (Round 1...)**

Third hour

- Each union team offers Proposal #1, face-to face at a bargaining table, to their corresponding management team. Both teams take notes on their Negotiations Charts.
- Management teams caucus and then respond with their first proposal.
- Caucuses and bargaining continue. (Round 2 and Round)

Fourth hour **Bargaining Sessions Conclude**

- As deadline approaches, teams decide whether an agreement can be reached or whether mediation or a strike or a lockout will take place....

Reports

Designate reporter(s) to present results to everyone. Was an agreement reached? What was the total cost of the new agreement? What was the most difficult issue to resolve and why? Why are unions important?

For further discussion: Why are the teams' outcomes different? From this experience, what is relevant to students' future as working adults? To solving other types of social problems in our world today?

UNION (for your eyes only)--Collective Bargaining Fact Sheet

A collective bargaining session is about to begin. **You have been elected by your coworkers to represent the Hospital Employees Union**, which includes 625 employees at Getwell Hospital, a private, for-profit hospital that is part of the National Medical Corporation (NMC). NMC is a very successful chain of 350 hospitals nationwide. Your union members are certified nursing assistants (“C.N.A.”s), laboratory technicians (“lab techs”), radiology technicians (“radiology techs”), pharmacy technicians (“pharmacy techs”), food service, and housekeeping workers. Your issues are: 1) Wages; 2) Medical Benefits; 3) Health and Safety; 4) Career Ladder; 5) Child care.

Your goal is to negotiate the best wage and benefit package you can for **a one-year contract** with the Getwell Hospital for your coworkers. To step up the pressure, the union members have taken a strike vote and the vast majority voted to approve work actions if the union’s demands are not satisfied. Any agreement your bargaining committee makes with Getwell Hospital management is tentative until the union membership votes to ratify it. **Here's some background on the issues:**

1. Wages: This is an extremely important bargaining issue to your union membership. The average wage of a bargaining unit member is \$20.00/hour, and many employees are having a hard time paying all their family bills every month. Getwell Hospital’s past contracts with your union have not kept up with inflation in consumer prices or with other hospitals in your region. You want the new union contract to make up for this. You have read the NMC’s Annual Financial Report (they own your hospital), which says that the stockholders received higher dividends on their shares last year. You feel that the company should be sharing its profits with the workers whose labor creates the profits!

While your goal (confidentially) is to get at least a 5% increase in wages from management, A **1% wage increase for each worker = \$250,000 total cost to the Hospital**. Determine your first offer carefully because it could influence your future proposals, as well as management’s future proposals.

2. Medical Benefits: Getwell Hospital has provided health care services at no charge for all employees and their dependents on-site at the Hospital. This has cost the Hospital an average of **\$533/month for each employee** in the bargaining unit, and each month this money is **deposited into the Getwell Hospital Employees Family Health Care Insurance Fund** bank account. The hospital currently budgets almost \$4 million/year ($\$533 \times 625 \text{ employees} \times 12 \text{ months} = \$3,997,500$) for this benefit provided to employees and their families.

Getwell management recently informed the union that the cost of providing these health care services is expected to increase 12-13% next year, or almost \$500,000. ($.125 \times \$533/\text{month} = \66 each month, and multiplied by 625 employees $\times 12 \text{ months/year} = \$495,000$). Rumors have been circulating that NMC/Getwell wants to make the employees pay for this (alleged) increasing insurance cost by deducting this \$66 each month from your paychecks, for direct deposit into the Getwell Hospital Employees Family Health Care Insurance Fund. However, your union members want to maintain their current 100% company-paid family medical insurance at the hospital. You believe that it is NMC/Getwell’s owners, not the employees, who can afford to pay for any new health care costs.

3. Health and Safety: Accidental “sharps” injuries from syringes (needles), scalpels, test tubes, and blood-drawing devices are a serious hazard for all healthcare workers, from janitors (housekeeping) to direct

caregivers, both during and after use. There are more than 25 blood-borne diseases that workers can contract from exposure to sharp objects that contain body fluids or blood, including HIV and hepatitis C.

Recently, a housekeeper was “stuck” while closing the lid of a “sharps” disposal container that was full, and last year a nurse contracted HIV from a used needle that did not “retract” properly. To comply with Occupational Safety and Health Act (OSHA) rules on exposure to blood borne biohazards, the union wants management to:

1. Set up a labor-management Sharps Safety Committee to establish both accident prevention and product selection programs, and the union will choose the labor half of the committee.
2. Commit \$10,000 to pay for releasing the Committee members from their usual jobs so they can attend meetings and conduct a survey of co-workers about the safety of all “sharp” devices and disposal systems currently being used.
3. Use a neutral arbitrator to decide when the Sharp Safety Committee cannot reach consensus about purchasing the safest “passive” technology available for all sharp devices. (“Passive” means that no activation by the caregiver is needed to retract the used needle; instead, the needle retracts automatically after use.) Management is currently using a vendor for sharp devices that are “non-passive” (activation is needed), and therefore, unreliable and unsafe in the opinion of union members. You believe this entire proposal will significantly reduce the hospital’s costs for Workers Compensation Insurance, required by state law for disability payments to workers with on-the-job injuries.

4. Career Ladder: (Promotions within each hospital department) The issue of promotions is extremely important to hospital workers, who are 75% women. With the exception of the nursing (R.N.) department, management has promoted men to most of the highest paid jobs in each hospital department. In the radiology, lab, and pharmacy departments, most of the Technician 1 (entry level) and Tech 2 workers are women, while most of the Tech 3 (or “lead”) jobs are held by men. Likewise, in food services and housekeeping, most of the entry level workers are women, and most of the “lead” (and highest paid) workers are men. The union believes these inequities reflect a pattern of sex discrimination by management in promotions at Getwell Hospital. To fix this sex discrimination, union members want management to set up the following “career ladder” in all departments:

1. Management will post notices of all Tech 2 and Tech 3 (or “lead worker”) vacancies in every department on the hospital bulletin board.
2. A Tech 1 with 1 year of hospital seniority (and proper qualifications for Tech 2), can apply and be promoted to a Tech 2 job in the same department.
3. A Tech 2 with 1 year of hospital seniority (and proper qualifications for Tech 3) can apply and promote to a Tech 3 job in the same department.
4. No outside hires for Tech 3 or “lead” jobs.

You believe that your entire proposal will benefit both women and men employees at the hospital, and help the hospital retain workers, reducing the costs caused by employee “turnover”. Sex discrimination by employers (and discrimination based on race, ethnicity, nationality, religion, or age) is also against the law. Your lawyers tell you that the union could sue the hospital, for violating Title 7 of the 1964 Civil Rights Act, and win a settlement in court.

5. Child care: Many of your union members have young children and feel strongly that the hospital should provide an on-site child care center. The high cost and lack of available high-quality child care make life extremely difficult for workers, and negatively affects their attendance and work performance. You estimate that the cost of an on-site facility to be less than \$100,000 if the hospital renovates existing vacant space, and if the employees who enroll their children pay a fee to cover the teachers’ salaries and supplies. This “fee-for-service” program would be much less expensive than private child care centers because it would not be run for profit.

MANAGEMENT (for your eyes only)--Collective Bargaining Fact Sheet

A collective bargaining session is about to begin. **You will represent the Getwell Hospital, a part of the National Medical Corporation (NMC).** NMC is a very successful chain of 350 hospitals around the U.S., and the second largest chain of private for-profit hospitals in the country. You will be negotiating with the Hospital Employees Union, representing 625 hospital workers at Getwell Hospital, including certified nursing assistants ("C.N.A."s), laboratory technicians ("lab techs"), radiology technicians ("radiology techs"), pharmacy technicians ("pharmacy techs"), food service, and housekeeping workers. The issues in this negotiations are: 1) Wages; 2) Medical Benefits; 3) Health and Safety; 4) Career Ladder; 5) Child care.

Your goal is to negotiate the least costly wage and benefit package you can, for **a one-year contract** with the Hospital Employees Union. While you want to attract and retain the best employees, you need to stay within Getwell Hospital's budget. The Board of Directors of the National Medical Corporation has instructed you to avoid spending over \$2 million of new money on improvements in wages and benefits. The Corporation's Board of Directors also wants you to avoid a strike and its potential consequences. To add to the pressure, you have just been informed that the union members have taken a strike vote and are prepared to walk out if their demands are not met. Any contract you agree to with the union's bargaining committee must be approved by the NMC Board of Directors, and then, ratified by the union members. **Here's the background:**

1. Wages: Wages will be the most important and expensive issue you negotiate. The average wage for an employee in the bargaining unit is \$20.00/hr. **Each 1% wage increase for each worker = \$250,000 total cost to the Hospital.**

For the first round of the negotiations, your management team will make an offer keeping in mind that the goal is to avoid spending over \$2 million of new money on improvements in wages and benefits. You would like to keep wage costs down so NMC can increase the annual dividends (share of profits) that will be paid to its stockholders (owners), and therefore, attract even more investors. You also want to invest more money in new technology and equipment. You could inform the union negotiators that higher wages might mean "downsizing"...

2. Medical Benefits: Getwell Hospital has provided health care services at no charge for all employees and their dependents on-site at the Hospital. This currently costs the Hospital an average of **\$533/month for each employee** in the bargaining unit, and each month this money is **deposited into the Getwell Hospital Employees Family Health Care Insurance Fund**. The hospital currently budgets almost \$4 million/year ($\$533 \times 625 \text{ employees} \times 12 \text{ months} = \$3,997,500$) to provide this medical benefit for employees and their families. (Important note: this health care insurance fund is separate from the \$2 million budget you have been given by the NMC Board of Directors to settle this contract.)

However, you have been advised by NMC headquarters that "inflation" will increase the cost of providing these benefits **next year 12-13 % more, almost \$500,000.** ($12.5\% \text{ of } \$533/\text{month} = \$66/\text{month}$, multiplied by 625 employees $\times 12 \text{ months/year} = \$495,000$ in new money that will be needed to maintain medical benefits.) This increase will have to be covered by your budget for this contract, and you think it is reasonable for the employees to share this cost burden, just like many employees in other workplaces have to. You also know that the National Medical Corporation, which owns Getwell Hospital, wants to reduce labor costs and increase dividends (profits) to the stockholders (owners). Therefore, you want the employees to start contributing

\$66/month to the Getwell Hospital Employees Family Health Care Insurance Fund, in order to maintain their medical benefits at the hospital, and you will deduct this amount each month from employees' paychecks.

3. Health and Safety: Accidental "sharps" injuries from syringes (needles), scalpels, test tubes, and blood-drawing devices are a serious hazard to all healthcare workers, from custodians to direct caregivers, both during and after use. There are more than 25 blood-borne diseases that workers can contract from exposure to sharp objects that contain body fluids, including HIV and hepatitis C. To comply with Occupational Safety and Health Act (OSHA) rules on these hazards, management will:

1. Select the most qualified workers and managers to form the "Sharps" Safety Labor-Management Committee required by OSHA, to review accident prevention and product selection.
2. Reserve the right to make the final decision about all "sharp" devices and "sharps" disposal systems used by workers, based on both safety and budget considerations. Management will inform the union that the hospital's current supplier will provide cost-effective safety products.

4. Career Ladder: (Promotions within each hospital department) Management is very concerned about this issue because Getwell Hospital's lawyers have explained that the hospital could be sued by the union for failing to promote enough qualified women into the highest paid jobs (Technician 3 or "lead" workers) in each hospital department, except for the nursing (R.N.) department. Sex discrimination by employers is outlawed by Title 7 of the 1964 Civil Rights Act. Currently, 75% of all the Technician 1 (Tech 1 = entry level) and Tech 2 workers in the radiology, lab, and pharmacy departments are women; the same is true in food services and housekeeping. However, most of the Tech 3 or "lead" workers in these departments are men, often hired from outside the hospital.

While you want to be sensitive to the problem and don't want to violate any laws, you also want to maintain your right to judge a worker's qualifications and control hiring and promotions. You believe that the union essentially wants hospital seniority (years employed at the hospital) to be an automatic qualification for promotion, and you are uncomfortable with this. However, to promote equal opportunity, you are willing to put notices of all job openings on the hospital bulletin boards, and any qualified employee with at least 2 years seniority may apply. In addition, Management wants to continue to decide the qualifications needed to fill vacant positions and promote or hire from inside or outside the hospital as needed, based on the applicant's training and experience.

5. Child care: The union is requesting a child care center at the hospital. Management believes that child care is the personal responsibility of the family, not the employer's responsibility. Furthermore, you estimate that the cost to build, staff, and equip a child care center will range between \$250,000 - \$500,000. Plus, wouldn't having the children of your employees so close to the workplace become a distraction and possibly lower productivity? You understand that many of the hospital's employees are parents of young children, so to help them (and hopefully improve their tardiness and attendance), the hospital will distribute addresses and phone numbers of child care centers nearby. You might be open to a joint union-management committee to study this issue, but you are also concerned that employees who don't have young children might be upset that they would not receive a comparable benefit.

PLANNING FORM for Round 1 (Opening Statements)

<p>Wages: First proposal and supporting reasons</p> <p>Cost: _____</p>	<p>Medical Benefits: First proposal and supporting reasons</p> <p>Cost: _____</p>
<p>Health and Safety: First proposal and supporting reasons</p> 	<p>Career Ladder: First proposal and supporting reasons</p>
<p>Child care: First proposal and supporting reasons</p> 	<p>Power: Consider the source of your power to achieve your goals. Where does it come from? What statements can you make or actions can you take to demonstrate your power to the other side? Integrate these ideas above!</p>

NEGOTIATIONS CHART (All teams caucus between each proposal.)

Issues	Union Proposal #1	Management Proposal #1	Union Proposal #2	Management Proposal #2	Union Proposal #3	Management Proposal #3	Tentative Agreement
1. Wages average=\$20/hr. (Cost formula: 1% increase x 625 workers = \$250,000)	Cost:	Cost:	Cost:	Cost:	Cost:	Cost:	Cost:
2. Medical Benefits 100% fully paid by employer for workers & their dependents	Cost:	Cost:	Cost:	Cost:	Cost:	Cost:	Cost:
3. Health and Safety Committee and arbitration							
4. Career Ladder Promotions in a job category from Tech 1 to Tech 2 to Tech3 or "lead" worker							
5. Child Care							
							TOTAL COST: