

Industrial Relations Center
Carlson School of Management
UNIVERSITY OF MINNESOTA

Labor Relations and Collective Bargaining

HRIR 8071 (4 credits)
Spring 2008

Section 1: 9:55-11:35 am, Monday and Wednesday
1-132 Carlson School of Management
Section 2: 1:45-3:25 pm, Monday and Wednesday
1-135 Carlson School of Management

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and by appointment

The inequality of bargaining power between employees who do not possess full freedom of association or actual liberty of contract, and employers who are organized in the corporate or other forms of ownership association substantially burdens and affects the flow of commerce, and tends to aggravate recurrent business depressions, by depressing wage rates and the purchasing power of wage earners in industry and by preventing the stabilization of competitive wage rates and working conditions within and between industries (The Wagner Act (1935), Section 1).

This course examines labor relations and collective bargaining, especially the three major processes: **union organizing** (how labor unions are formed), **bargaining** (how union contracts are produced), and **dispute resolution** (how bargaining disputes and grievances are resolved). To understand the operation of these processes, the first part of the course analyzes the framework in which collective bargaining takes place—the legal, historical, economic, and global environment, the structure and goals of the participants, and alternative models of the employment relationship. The latter part of the course examines international comparisons and important changes that have occurred in the last few decades, such as pressures for flexibility and employee involvement. The course concludes with prospects for the future. The focus of the course is private sector labor relations, but public sector comparisons are highlighted where appropriate.

Course Goals: The basic goals of this course are to develop an understanding of:

- Why employees, employers, and society may or may not desire unions (past, present, and future), and the relationship between these views and fundamental assumptions about markets and employment relationship conflict.
- The effect of worker representation on the operation of the workplace, firm, economy, and society.
- The major labor relations processes (union organizing, bargaining, and dispute resolution) and how they are influenced by a variety of factors (legal, economic, demographic, etc.).

Required Textbook: This course relies heavily on the labor relations textbook authored by Professor Budd based on his teaching of this course:

John W. Budd (2008) *Labor Relations: Striking a Balance*, 2nd ed. (Boston: McGraw-Hill/Irwin).

Available at:

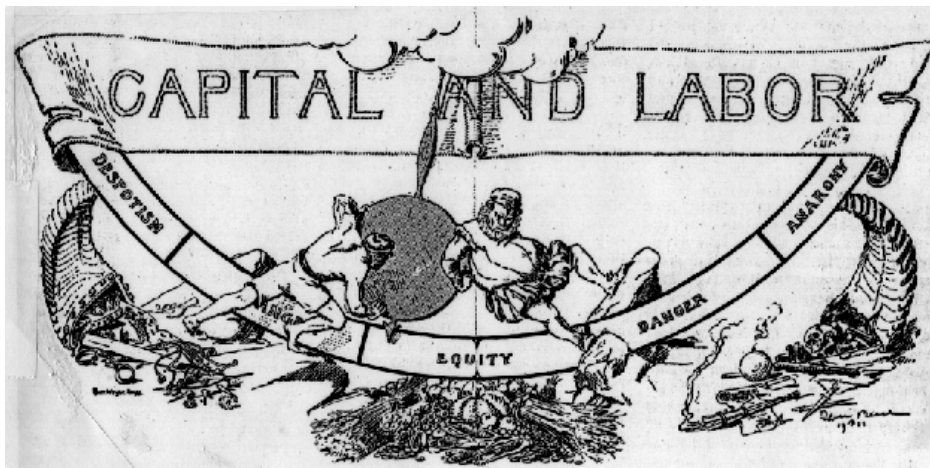
- University of Minnesota Bookstore
- Other booksellers online
- Electronically in a downloadable or online pdf version from:
<https://ebooks.primisonline.com/cgi/showebook.cgi?isbn=0390828211&bookType=unselected&fullBook=true>

Recommended Supplementary Reading

Jonathan D. Rosenblum (1998) *Copper Crucible: How the Arizona Miners' Strike of 1983 Recast Labor-Management Relations in America*, 2nd ed. (Ithaca, NY: ILR Press).

Internet-Based Information: Students are encouraged to supplement their reading with an exploration of relevant websites. The AFL-CIO (www.aflcio.org), Industrial Workers of the World (www.iww.org), and numerous individual unions (see www.cf.ac.uk/socsi/union/links.htm) and professional associations have informative sites with rich contemporary and historical sections. Labor news can be found on various sites such as Workday Minnesota (workdayminnesota.org) and LabourStart (www.labourstart.org). National Labor Relations Board (NLRB) decisions and documents can be accessed from the NLRB website (www.nlr.gov) Some links to get you started are provided in the resources section of the course website on WebCT/Vista.

Team Teaching: HRIR 8071 is being co-taught by Professor John Budd and Professor Liz Welsh. The two instructors are jointly responsible for the entire course, but Professor Budd will generally focus on the first half of the course and Professor Welsh will generally focus on the second half. Professor Budd will lecture, lead classroom discussions, hold office hours, and grade the in-class exercises in the first half (before Spring break); Professor Welsh will assume these responsibilities for the second half (after Spring break). Professor Budd will handle the Midterm Exam and the NLRB Decision Posting Exercise; Professor Welsh will handle the Bargaining Exercise and the Final Exam.



Source: *Survey* (February 7, 1914, front cover)

Grading

Participation: Class Discussion	continuous	10%
Debate	various	20%
Midterm Exam	March 10, 2008	20%
NLRB Decision Posting	March 28, 2008	15%
Bargaining Exercise	various	15%
Final Exam	TBD	20%

Attendance and Participation: Our aim in this class is to increase your understanding of the nature and relevance of labor relations through participation and involvement. Attendance in general, and participation in class discussions specifically, are important components of the learning process in this course. Please read the appropriate materials before class and *bring those materials with you to class* for discussion. It is important to bring the textbook to each class meeting. **Attendance at all class meetings earns a participation grade of “B.” This grade can be reduced by excessive absences and can be increased by relevant contributions to class discussions.**

Debates: An in-class debate between two teams on a specific issue (see the course outline for specific weeks and topics). For each debate, one team will be assigned to argue the affirmative case and one side will argue the negative. The debate will follow this structure:

Affirmative opening (5 minutes)

Negative opening (5 minutes)

Affirmative rebuttal (5 minutes) (by the team member who did not present the opening)

Negative rebuttal (5 minutes) (by the team member who did not present the opening)

Class questions and discussion

Prior to the debate, each team must hand in a 1-2 page argument sheet which outlines your major arguments and the facts supporting each argument. This sheet should also outline the anticipated major arguments of the other side and your rebuttal. **Additional guidelines, instructions, and hints are on the course website in WebCT/Vista.**

NLRB Decision Posting: A briefing of a National Labor Relations Board (NLRB) decision posted electronically to the HRIR 8071 online discussion forum by 4:00 p.m. on March 28, 2008. The class will be divided into small groups and each group assigned an NLRB decision. Each group is required to write a brief of this decision summarizing the facts of the case, the important points of law, and the significance (legal and practical). This brief is to be posted in the HRIR 8071 online discussion area so that the rest of the class can read and respond to it. Please read Professor Budd’s example in the discussion area. The group is responsible for responding to questions about the posting and monitoring the discussion in a timely fashion.

Bargaining Exercise: A collective bargaining simulation in which small groups of union and management teams negotiate the terms of a new collective bargaining agreement using “The Zinnia and Service Workers Local H-56.” This exercise is online at www.thezinnia.com. Teams for this exercise will be assigned by March 26.

Before the initial bargaining session (which must take place no later than April 14), each team must construct a negotiation plan (to be submitted to Professor Welsh by April 9). Each negotiation plan should include a bargaining agenda and a list of lead subcommittee members. The bargaining agenda contains the team’s threat point (i.e., the minimum [maximum] acceptable contract changes the union [company] would accept without a strike) and also what the team *reasonably* hopes to settle for. Both economic and noneconomic items should be included in the agenda. Blank templates are available on the exercise’s website. Costs should be estimated for the economic items in the packages. Bargaining agendas are not binding during negotiations, but are used to facilitate preparation. To help with costing various proposals, an Excel spreadsheet is available on the website.

A list of lead subcommittee members must also be included in the negotiation plan. Every team member should lead one sub-committee. The subject which each sub-committee will address must be agreed to by both the union and management teams, although potential sub-committees include wages, health insurance, retirement and other subjects (could be mandatory or non-mandatory). At the initial bargaining session, the subcommittee leads from the union and management should meet together to try to narrow in on potential options for their subjects. This interim step allows everybody on the team to gain experience in negotiating and while the outcomes are not binding, they can help to improve the possibility of settlement.

The strike deadline is 11:59 p.m. on April 30. Any pair of groups that does not complete an agreement by 48 hours before the deadline must seek mediation from Professor Welsh. Failure to mediate and/or failure to reach agreement by the deadline will result in a grade of C for the exercise.

Wizard of Id (November 14, 2003)



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Key Terms: A list of key terms and concepts for the course is on the course website. Students are encouraged to download this list and create their own glossary of terms. This will help you understand the important elements of the course, and is a good study aid for the tests.

Classroom Expectations: Professors and students are expected to behave professionally at all times. The professors will respect the students, and each student is expected to be respectful of the professors and their fellow students. Professional behavior includes, but is not limited to, the following:

Honesty. Do your own work. Plagiarizing from other students, books and journals, the internet, and other sources is a serious offense and is not acceptable. Be sure to fully cite your work. Make honest contributions to your group projects (do not be a free rider).

Preparation. Come to class prepared to listen, learn, and participate. Attend group meetings prepared to make full contributions and to help other group members make valuable contributions.

Politeness. Ask questions and contribute to class discussions in a positive, inclusive, and respectful manner. Respond to dissenting views with respect and reason. Respect your classmates and your group members.

Attentiveness. Turn off and do not answer your cell phone. Laptop computers are welcome for class-related purposes such as note taking. Other activities are inappropriate and exhibit disrespect towards the instructors and other students. Limit individual conversations, eating, and other distractions to break times. Focus on the tasks at hand during group meetings.

Timeliness. Complete assignments on time. Be on time for group meetings and for class. Unforeseen events occur and students have multiple demands on their time (such as interviews). If you must arrive late or leave early, do so without walking in front of any speakers. Provide advance notice to the instructors whenever possible. Reserve the seats by the door for those who must arrive late or leave early.

Wizard of Id (April 14, 2007)



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Course Outline

I. Introduction: The Objectives, Practices, and Challenges of Labor Relations

Week 1a (January 23)

John W. Budd (2008) *Labor Relations: Striking a Balance*, 2nd ed. (Boston: McGraw-Hill/Irwin), chapter 1.

II. Intellectual Foundations: The Labor Problem and Labor Unions

Weeks 1b-2a (January 28-30)

Labor Relations: Striking a Balance, chapter 2.

III. Labor Relations Outcomes: The Environment, Individuals, and Ethics

Week 2b (February 4)

Labor Relations: Striking a Balance, chapter 3.

Discussion (February 4): Is a legal union avoidance campaign consistent with the SHRM Code of Ethics? (Box 3.12 in *Labor Relations: Striking a Balance*)

IV. The Evolution of the American Labor Relations System

Week 3 (February 6-11)

Labor Relations: Striking a Balance, chapter 4.

Exercise: The Rise of National Union Organizations in the United States, 1865–1920.

V. U.S. Labor Law

Weeks 4-6a (February 13-27)

Labor Relations: Striking a Balance, chapter 5.

Debate (February 18): Resolved that U.S. soldiers should be allowed to join unions.

Debate (February 25): Resolved that Minnesota should pass a right-to-work law.

Case Discussion:

Let's Do Lunch: Insubordination or Protected Activity? (Box 5.24)

Fired for Poor Driving, or Talking with a Union Organizer? (Box 5.25)

Is Body Language Protected Activity? (Box 5.26)

VI. Labor and Management: Strategies, Structures, and Rights

Week 6b (March 3)

Labor Relations: Striking a Balance, chapter 6.

VII. Union Organizing

Weeks 6b-7 (March 3-10)

Labor Relations: Striking a Balance, chapter 7.

Debate (March 5): Resolved that closing a plant after a successful union organizing campaign is ethical.

Case Discussion:

Does a Meeting with a Supervisor Interfere with Employee Free Choice? (Box 7.6)

Does Community Activity Interfere with Laboratory Conditions? (Box 7.7)

VIII. Globalization

Week 8 (March 12)

Labor Relations: Striking a Balance, chapter 12.

Debate (March 12): Resolved that the NAFTA side agreement (the North American Agreement on Labor Cooperation) is an effective mechanism for protecting worker rights in a global economy.

**** SPRING BREAK March 17-23****

IX. Bargaining: Process, Structure, and Impasse

Weeks 9-10 (March 24-April 2)

Labor Relations: Striking a Balance, chapters 8 and 9.

Case Discussion:

Does the Duty to Bargain Preclude Unilateral Wage Increases? (Box 8.11)

Replacing Strikers by Inverse Seniority: Saving Costs or Coercing Employees? (Box 9.7)

Debate (March 31): Resolved that the United States should ban permanent strike replacements.

X. Contract Clauses, Administration, and Grievance Handling

Weeks 11–13 (April 7-23)

Labor Relations: Striking a Balance, chapter 10.

Debate (April 14): Resolved that seniority systems are necessary to provide workers with meaningful job security.

Debate (April 16): Resolved that the United States should require companies to have mandatory arbitration systems to resolve all workplace rights disputes between employers and employees whether it is a union or non-union environment.

Case Discussion: Grievance Discussion Cases 1-10 (Boxes 10.11 – 10.20)

XI. Flexibility and Employee Involvement

Week 14 (April 28-30)

Labor Relations: Striking a Balance, chapter 11.

Debate (April 28): Resolved that employee representation plans should be allowed in non-union workplaces.

Case Discussion:

Are Issue Committees Dominated Labor Organizations? (Box 11.14)

Is a Plant Council a Dominated Labor Organization? (Box 11.16)

XII. Comparative Industrial Relations

Week 15a (May 5)

Labor Relations: Striking a Balance, chapter 13.

Debate (May 5): Resolved that mandatory works councils should be adopted by the United States.

XIII. Concluding Thoughts and Future Directions

Week 15b (May 7)

Labor Relations: Striking a Balance, chapter 14.

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STATEMENT ON COURSE REQUIREMENTS

1. The instructor will determine the conditions, if any, under which an "Incomplete" will be assigned instead of a grade. The instructor may set dates and conditions for makeup work, if it is to be allowed.
2. A student may not negotiate the submission of extra work in an attempt to raise his or her grade unless the instructor has made such opportunities available to all students.
3. Academic misconduct is a very serious issue with potential consequences ranging from failure in the course in question to dismissal from the University. Academic misconduct is defined broadly as any act that violates the rights of another student in academic work or that involves misrepresentation of your own work. This includes (but is not limited to) cheating on assignments or examinations; plagiarizing, which means representing as your own work any part of work done by another; submitting the same paper, or substantially similar papers, to meet the requirements of more than one course without the approval and consent of all instructors concerned; depriving another student of necessary course materials; or interfering with another student's work. Instructors may define additional standards beyond these.
4. Carlson School students are expected to understand and uphold the Carlson School Code of Conduct. Any violation of the Code of Conduct will not be tolerated and appropriate action will be taken.
5. Students with disabilities that affect their ability to participate fully in class or to meet all course requirements should bring this to the attention of the instructor during the first week of class so that appropriate accommodations can be made. Similarly, students for whom English is not their native language may request accommodation (such as additional time for examinations).
6. Student complaints or concerns about some aspect of a course sometimes arise. If possible, it is hoped that these can be resolved through an informal meeting between student and instructor. However, if a student feels this is not feasible, or if such discussion does not remedy the problem, the student may consult with the Director of Graduate Studies in 3-300 Carlson School of Management (if a graduate student) or the Director of the Industrial Relations Center, also in 3-300 Carlson School of Management (if an undergraduate student).
7. University policy prohibits sexual harassment. Copies of the University policy on sexual harassment are available at 419 Morrill Hall. Complaints about sexual harassment should be reported to the University Office of Equal Opportunity at 419 Morrill Hall.
8. Materials for this course are available in alternative formats upon request. Please contact the Director of Graduate Studies, 3-300 Carlson School of Management, (612) 624-2500.