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Laboring Forward: The Future of Labor Unions

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Abstract

Labor unions have played an important part in shaping the workforce as we know it since the passing of the National Labor Relations Act (NLRA) in 1935. However, whether they are still perceived as essential in today's economy is still questioned as union favorability ratings have declined from 35% to 7% over a thirty year span. A survey questionnaire was distributed to a non-random sample (N = 50) to ascertain their attitudes and perceptions on labor unions. Sixty-seven percent of respondents believe that unions should be in every state with 60% of those in a non- Right to Work state in favor of unionizing.

Representation was favored for an apparent need for further representation (60%) and 40% seeking an increase in pay. Half of those surveyed feel labor unions are perceived as good for the economy and 43% felt that members of unions earned more on average than laborers in a comparable job who did not belong to a union. Review of related literature and research suggests that the best hope at reviving U.S. union participation is to look toward union expansion among white collar workers and the re-definition of what the words "labor" and "union" truly mean.

Key Words: Labor unions, Right-to-Work, economy, workforce

Introduction

Now that we've re-elected the President of the United States, a reflection back on the campaigning reveals many issues concerning economy and the workforce in the United States. Political party and labor union support seem to always go hand-in-hand. In the earlier part of the twentieth century, business in the United States was very much industrial with large corporations operating with little or no input from their employees. The enactment of the National Labor Relations Act (NLRA) in 1935 sought to protect the rights of employees in forming, joining, and assisting labor organizations in negotiating terms of employment (Craver, 2009). Many believe that the time for labor unions has passed and that labor unions have a direct impact on who is elected to office, what laws are passed... the day-to-day running of corporation, government, and employees (Kochan, 1979). Miguel-Berland and Jessop (1993) found that many believe that union leaders are not in touch with employees and often have their own individual agendas; however, they are still a positive for the US economy as a whole. Today, labor unions have continued their steady decline from 35% in 1971 to 7% in 2009 (Carver, 2009) and are almost non-existent in the Southeastern part of the country. Traditionally, Democratic states have been more "union friendly" than Republican states; we call this a Non Right to Work state when union participation is mandatory, if existing (Smith & Bonner, 2012).

Statement of the Problem

Labor unions were an important part of the evolution of business and the workforce in the United States. This, in turn, has impacted the economy. As wages were raised due to union involvement it caused the consumer price-index (CPI) to also increase. Union participation and corporate support of unionization has steadily declined in the last decade along with fare wages while corporate profit margins increased, which raises many questions about the future of unionization in this country.

More than seventy-five years after the enactment of the National Labor Relations Act, is there still a place for unions? The solution may lay in the definition of labor itself.

Research Questions:

Do we still need labor unions?

Are unions good for the economy?

Should the government be involved with union operations?

The Review of Related Literature

Employees want fair compensation and ethical treatment in the workplace and labor unions were a large part of guiding US corporations to where we stand today. One overarching question is whether there is still a place for unions in today's marketplace? According to Bennett (2012), "The point of capitalism used to be to create prosperous lives for the American people-most of whom labor. But today it has no point beyond the health of corporations-the means have become the end." In his article, *Corporations or People; Restoring the Common Good*, he points out that for many years the understanding was that labor unions in conjunction with workers and management would benefit from the contributions they made to the economy. The wealthiest 10% of the country from World War II through 1970 accounted for about one third of the nation's income compared with almost 50% today. Ironically, as corporate wealth increased, labor union memberships decreased from 35% to less than 7% today. Bennett maintains that unions offer employees in both the public and private sectors wages which can provide a good living.

For big business in America, the decline in union membership and consequently, the decline in fare wage setting, has left a void that has not been filled (Kochan, 2012). Kochan, Edward Lawler and Christopher Worley suggest that we reinvent what “labor” means. Utilization of an employee representative on Boards and recreating what role labor unions and professional associations play in employee representation is necessary to meet the needs of current day workers through the use of key power sources such as knowledge, skills and driving innovation (2012).

There are, however, examples of successful union partnerships. Southwest Airlines is one of the more successful corporations in the airline industry and has a very high union membership among its employees. For the past fifteen years, Southwest has successfully worked with the labor union to turn around their financial situation and utilize new techniques to negotiate agreements with the union.

Is this what our current workforce desires? A study entitled: *Worker’s Views of Labor Unions: A Focus Group Perspective* (Miguel-Berland & Jessop, 1993) found that those who were non-unionized and least satisfied with their jobs desired union membership. A large number of those surveyed still see a need for labor unions in the United States; however, they aren’t sure exactly what role the labor unions should play. Many respondents felt that unions work best in a large corporate setting and that they were necessary to control the power that management had over employees. There was concern that union involvement in demanding fare wages could have a negative impact on the American economy. Additionally, there was also concern about the corruption among labor union leaders and the politicians they could be influencing.

In fact, recent research has found that the favorability rating of labor unions is at its lowest in twenty five years with only 45% of respondents indicating a positive view of unions, down from almost 60% in just 2000 (Pew, 2011).

The research goes on to further indicate that labor unions are seen as good for workers, but hinders the United States in its ability to compete with other corporations internationally.

With the continued outsourcing and offshoring of American jobs and services, keeping opportunity in the United States has become extremely important. Earlier in the century, many textile and manufacturing mills fled the Northeast for the promise of cheap land grants and cheap labor without the hassle of dealing with the negotiation of labor union agreements (Shuler, 1999). Today, much of that labor has departed for the shores of other countries like Taiwan, India and China for the promise of much of the same. Unlike what was left behind in the Northeast sector... continued labor union participation, the Southeast never fully adapted to the idea and continues to operate as mostly Right to Work states to this day. According to Shuler (1999), the Southeast also faced additional struggles with union organization; Jim Crow laws. This meant that biracial unions had to be created and were immediately met with resistance due to the belief that even biracial interactions at the union level could lead to the downfall of the white race. The author contends that while historically we think of labor unions as only operating amongst blue collar workers, there is a huge market available today for labor unions to become extremely active in the white collar industry.

Currently, the United States is recovering from the recession in 2008. Labor unions may be able to capitalize on the attitudes of the American people post-recession. As previously noted, favorability ratings for unions has been declining in the last decade and since 2008 (Pew, 2011), and so has confidence in big business and finance in the United States. Moody (2009) reports that a survey conducted by the Wall Street Journal/NBC shows that those with "little or no confidence in large corporations" went up from twenty-four percent in 1998 to fifty-four percent in 2008.

Similarly, negative views of the financial industry rose from seventeen percent in 2000 to fifty-five percent in 2008.

Method

For the purposes of this survey, data was collected to poll participants on attitudes toward labor unions, the economy and government involvement. The survey method was a twenty-five question questionnaire conducted anonymously using an online survey collection tool and a non-random method. The total number of completed surveys was fifty. Politically, the survey group was 35% Democrat, 31% Republican, 22% Independent and 12% were Undeclared with half of all respondents reporting they were moderately interested in politics. Historically, labor unions have had a more favorable relationship with states that were Democratic.

The survey questionnaire contained questions pertaining to past or present membership and perception of labor unions for both members and non-members. The survey was delivered electronically using Survey Monkey through the use of a “snowball” survey method and was sent to participants ages 18 and older living in the United States. To better get at the attitudes that differ from non-union members to union members, skip logic was implemented to guide respondents to appropriate questions. The researcher had no way of knowing who completed the survey to ensure anonymity, which was thought to be of importance to get at more honest answers. Questions targeted to union members might include: “my union hall is there to help me find a job”. On the other hand, questions directed to non-union members could include: “membership in a union might help my chances of finding employment”. Further questions were delivered based on employment status and union membership/non-membership, again utilizing skip logic to direct answers.

The survey questionnaire contained a mixture of ordinal, nominal and ratio measured questions, and analysis was done through calculation of mean Likert score and percent of response. Efforts were made to control variables that could affect results through careful consideration of question wording as well as survey design and delivery.

Results

Seventy two percent of respondents had never belonged to a union whereas 28% had at some point. Of those participants who had union experience, 57% were working 40+ hours per week, 28% working 1-39 hours per week, 7% looking for work and 7% were retired. Among those in a union who were seeking work, 33% agree that their membership in a union would help them find employment, 33% did not agree and 33% strongly disagreed. When looking at the non-union members who were seeking employment, 43% were neutral as to whether membership would actually help facilitate their job search, 14% did not think it would help them and 29% strongly disagreed that a labor union would make a search for employment easier. One of the major questions this research was seeking to answer was whether there is favorable public opinion toward unionization being legal in all states. Sixty-seven percent of respondents believe that unions should be in every state. Fully 90% of those surveyed live in Right to Work states yet of the 10% who do not, 60% would like to see unions and 40% do not know enough about unions to say. The reasoning for want of representation was 60% for a perceived need for more representation at the workplace and 40% seeking an increase in pay. As to the question of whether labor unions are perceived as good for the economy, 50% of those surveyed believe unions are good for the economy and 43% felt that members of unions earned more on average than laborers in a comparable job who did not belong to a union.

Discussion

It was obvious from the research that union members had a more negative view of labor organizations than those who did not belong to one. In fact, both union and non-union members did not feel confident that unions had laborers best interests at the forefront of their agendas. The following questions in the survey allowed for a response to be written in: Why do you think labor unions should not operate where you live? The following are some of the responses: "Severe corruption among union leadership", "wages and benefits often make it difficult for companies to compete against non-union companies and this leads to layoffs or shutdowns". Sixty-seven percent of respondents felt that union halls should be able to organize in every state, with those non-union members surveyed who did not have the opportunity to be in one desiring membership so they could have better representation and higher pay. Seventy-one percent of all survey participants felt that government should have no mandate as to when and where unions are active. The response received from one participant may contradict how likely the above mentioned non-union workers are to be happy with organization: "There was a time and a place for Unions-however they are no longer needed in today's workplace. You pay them for representation, when you can just represent yourself".

Conclusion

In reviewing the literature gathered for research and the results of the survey questionnaire, it seems there is a correlation between membership in a union and perception. It appears that those who don't have it, desire it and those who belong to a union don't trust them. Largely it seems that workers in the United States believe that labor unions benefit the economy however they aren't entirely sure that we still need them. In fact, many feel that representation can be self-fulfilled.

One key piece to understanding how labor unions should proceed in post-recession America is to look at who traditionally has been represented by unions. Historically, labor unions represented the blue collar workforce however, there seems to be room in the white collar industry today to grow unionization back to where it was in even the early 1980's. There is clear evidence that members involved in unions would like to see transparency of agenda and trust in leadership. This is close in nature to what we expect from our government, as there is a culture of mistrust toward big business and the financial industry. Perhaps Barry Bennett (2012, p.30) summed it up best, "If we are to reclaim the American promise, we must stop equating the health of business with that of society."

Recommendations and Future Research

This research paper was limited by time, lack of funding and survey participants. Through the use of social media to share the survey questionnaire, its reach was limited. Future research should utilize data collection methods that can get at a more appropriate sample of the American population, 96% were Caucasian and more than half of the respondents reside in the Northeast (see Fig.1).

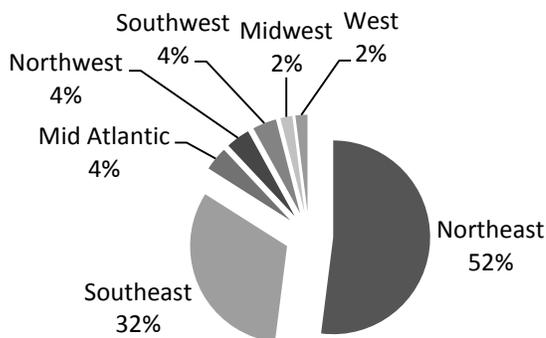


Figure 1.

Additionally, it would be interesting to conduct focus groups that are segregated into union and non-union categories to more easily ascertain the perceptions of each. Research on whether labor unions truly are good for the economy should be an integral part of any future studies with focus on the potential impact if unionization were to become more widespread among white collar business.

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