



# Are Unions Good? And other Fairy Tales

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**R**ecently an associate of mine became embroiled in a discussion about the ‘pros and cons’ of unions. But he found himself getting more and more distanced from his protagonists as the discussion progressed. The path took him into specific issues and while he felt his position was sound, those in the opposing corner believed their arguments were not only just as valid, but more so to them. Dragging into details, where opinion versed opinion, left no one as the clear winner and worse than that, no one newly informed. The point is, that in my friend’s trying to get across the concept of the exciting new type of business management embodied in *The Respect Revolution*, he failed miserably. His inability to demonstrate the advantages of the ‘emerging business order’ convinced the others that he was living in a dream world about business. So, what should he have said? What argument captures the essence of the bright future promised by *The Respect Revolution*? Let’s take a look.

## 1. What’s Good about Unions?

In an oppressive work environment, where management takes advantage of workers, the union steps in to take the worker’s side and to make the battle more even. Often, union membership offers the worker relief from abuse, as well as providing more income, a grievance mechanism, solidarity with peers, recognition of workers’ rights as well as other benefits. So why would my associate even enter an argument that suggests that unions weren’t the answer to the worker’s prayers?

## 2. What’s Bad about Unions?

Some people who are in unions have expressed dislike of unions because of the mandatory condition of having to join the union – there was no option. Others were concerned with unions taking a company to the brink during negotiations and had experienced the closure of their companies when union demands were not scaled back. Their thinking was that the near-same paying job was better than no job at all. Some said the union fees were too high for what was received.

Any observer of the world stage can see fixed union wages opening the door to competition in North America from foreign non-unionized environments such as China, which is nipping away at the entire industrial fabric of this continent. Strong unionized industries, such as autoworkers are in deep trouble today from the success of offshore automaker companies, such as those in Japan and Korea. It occurs because of the North American industry’s inability to adapt or adjust its most expensive component, workers wages, to the

current threat. Daimler Chrysler is on the ropes; Ford is not far behind. General Motors is poised to give up its lead at the world’s largest automaker to Toyota of Japan. The British auto industry, where the unions were so strong, is now all but finished: no Jaguar, no Rover, no Rolls Royce, no MG, no Mini<sup>1</sup>, etc. For unions, the writing is on the wall and it is not very encouraging.

## 3. What do Unions Want?

What unions want for their workers are: fair wages, regular salary increases, good working conditions, job security, and the ability to deal with grievances.

## 4. What do workers Want?

Believe it or not, wages is number 5 or 6 on most workers’ priority lists, rather than #1. Job security is no longer viewed as a practical reality by most employees. The ability to deal fairly with grievances is a more serious concern for workers. What conditions workers really want, based on compiled statistical data are as follows:

- a. Full appreciation for work done
- b. Feeling of being ‘in’ on things
- c. Sympathetic understanding of personal problems
- d. Job security
- e. Good pay
- f. Interesting work
- g. Promotion and growth potential
- h. Management loyalty to staff
- i. Good working conditions
- j. Tactful discipline

<sup>1</sup> Jaguar exists but is now owned by Ford, Mini by BMW, etc.



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**Do you have topic ideas? Comments or questions?**

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## 5. Where's the Incompatibility?

If we rate the 10 items with ascending scores of 1 to 10 we arrive at a total of 55 points. The union total based on the opening paragraph above is (d, e, i, j) = 16 points or 29%. Even if you were more generous to the unions, it would be difficult to reach 50%.

What people really want is to be happy in their lives. Happiness comes with the following fundamentals issues being applied to work, home or hobby:

- Feeling that what they do is contributing to something worthwhile
- Being appreciated
- Being listened to and treated otherwise respectfully<sup>2</sup>
- Being able to learn and grow
- Being free to make own choices

Which of the workers' wants (conditions in Section 4) meet those fundamentals? The answer is a to j – all of them. So the real question, therefore is: How many of the five conditions above are being met by the typical union process? It is difficult to conclude that the five basics are being met by the union approach. Therein lies the union dilemma.

## 6. Fundamentals at Stake

So the fundamentals at stake include 'happiness'. But it transforms further to any of the following:

- avoiding blaming
- ability to change
- preserving individuality
- taking advantage of the synergy of the masses
- integration of management and workers

All of the above are encompassed in *The Respect Revolution* or what we sometimes call 'bottom-up management' which involves the engagement of the lowest ranking individuals first. There is not sufficient space in this paper to discuss all five of the above topics, but let me recount a story regarding the last point, integration of management and the worker (the antithesis of the union-management arrangement).

William Shirer<sup>3</sup>, a U.S. war correspondent in the early days of the Second World War, as a neutral, reported daily from Berlin and other parts of Europe including the front lines with the German troops. While he didn't like the German regime then, he did remark how the German officers integrated the lower ranking troops into their world, even eating with them, joking with them, listening to them and learning from them. The British and French, on the other hand, had a two-caste system – the officers and the troops who rarely intermixed. Shirer predicted that the unification of the German troops and officers would see them gain early victories against the rigid allies, who were completely unresponsive to change. The result: France was overrun, including the disaster at Dunkirk, within a few weeks despite France being shored up by the British Expeditionary Force.

## 7. What the Argument should be

So the argument is now about **how much we value the individual**, every individual no matter how low the rank. Let's look at the sim-

ple logic of the situation. If you and I each have 100 employees consisting of 10 managers and 90 others, which do you think will be more successful? You who listens to all 100 brains and seeks their information and feedback, (filtered through each manager for practical reasons), listens to it, weighs it and acts on it or myself who restrict my decisions to the information from my 10 manager brains only. It doesn't matter if we are rowing a galley ship or running a business, (a) 100 brains has to be better than 10 brains, and (b) the front lines know what is happening in their world and management cannot. And most of the company world is in the 90 workers' hands, not the 10 managers'. In the case of the galley – the galley slaves tell us the oars are not made of sufficiently flexible wood, or that a break every 10 minutes for a tenth of the staff would increase productivity, or that there seems to be more power in the starboard turns rather than the port turns, etc. Is this not useful information? And if the slaves are engaged in such discussions, do not the slaves feel that they are:

- Contributing to something worthwhile (defeating the Romans)
- Appreciated (the ten-minute breaks)
- Listened to and treated otherwise respectfully (as discussed above)
- Able to learn and grow (somewhat limited with this job, but there are bound to be supervisor slaves)
- Free to make own choices (sorry, probably failed on this one)?

Now we are down to the essence of the argument. A system works well when everyone is contributing and each person's individuality is respected. Strength comes from the integration of all levels of contributors. As long as the union allows that to happen, union membership can be a positive force.

## 8. The Terse Response

Thus, what my friend should have said is nothing at first, but instead ask three simple questions:

- "What is happiness at work?" After getting bizarre responses add three of his own thoughts from the group above, such as:
  - Freedom to make own choices
  - Appreciated by your bosses
  - Able to learn and grow
- "Which of these will a union be able to assure?"
- "Which of these can a company provide without a union in place?"

Now let's see who becomes defensive.

Good luck

Bill Caswell

### References:

A. Shirer, William, *Berlin Diary*, Alfred A. Knopf, New York NY, 1941

<sup>2</sup> Respectful means not only following the golden rule, but also accepting and listening patiently to those who are very different from ourselves.

<sup>3</sup> See Reference at the end of this article.