

Collective Bargaining Institute for Secondary Students

For more information about Workplace Issues and Collective Bargaining in the Classroom, contact the Collective Bargaining Education Project at 213-386-3144 or cbep@lausd.k12.ca.us (sponsored by the Los Angeles Unified School District and United Teachers Los Angeles)

TEACHER/COACH INSTRUCTIONS

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1. For this 4-hour lesson/workshop, students will be divided into sets of union and management teams, e.g. Union #1, Management #1, Union #2, Management #2, and so on. Each student team member gets 3 student handouts: the Union or Management Fact Sheet, the Planning Form, and the Negotiations Chart. Ideally, four students will be on each labor or management team, (each student to represent one of the four issues), and a coach/teacher will be assigned to each team. Before the workshop begins, the teacher/coach should review all the materials, including: Collective Bargaining Institute (CBI) Agenda, CBI Teacher/Coach Goals for Students, CBI Teacher/Coach Tips on the Issues, the student Union and Management Fact Sheets (roles), Planning Form, Negotiations Chart, the bargaining sequence given below, and the costing-out formulas (given in the student Union and Management Fact Sheets).
2. Following the welcoming remarks and explanation of the agenda, the students will caucus with their respective teams at tables or rooms marked with the team numbers, for approximately one hour to prepare for Round 1 of bargaining. (If coaches are available from the labor movement and business community, they will introduce themselves to the whole class and then join a team to mentor students through the bargaining process.)
3. In each team caucus, the students will introduce themselves to each other and begin preparing for Round 1 of bargaining by examining their handouts. Note that the Union is the moving party and the Union's initial demands are given on the Negotiations Chart.
4. Next, each student should take a turn and read one paragraph of the Fact Sheet out loud while everyone listens. (No silent reading!) Everyone should highlight the main points in each paragraph. After reading the entire handout, students should begin discussing the issues one at a time and each student should take notes on their Planning Form for what the team will say in Round 1 of negotiations. In this team discussion, students need to clarify the team's opening position on each issue (underlined on the Fact Sheet) and then develop opening statements to explain each issue and arguments to support their positions.

Union teams cannot change the union's initial demands given on the Union Fact Sheet (and on the Negotiations Chart—see Round 1). **Management teams** should review the union's initial demands given on the Negotiations Chart in Round 1, and use the Planning Form to prepare a tentative (counter) proposal #1, to be finalized in a short caucus after hearing the union's opening presentation. **Students need to understand the significance of the Union membership's strike vote.** Students may also begin to talk about fallback positions for later in the bargaining process.

5. After reviewing all the issues and completing the Planning Form for Round 1, **each student should choose an issue to be the spokesperson for.** (Two students may share an issue.) The idea is to encourage every student to take part. Then, the students should select one person to serve as a "chief spokesperson": to introduce the team members, support each of their presentations at the table, and call for team caucuses as necessary. Finally, the team sends a messenger to the other side to let them know they are ready for bargaining.

6. When the Union and Management teams meet at the bargaining table, they begin by discussing ground rules. These rules should include—"good faith" bargaining, respect for each team's value to the business and their efforts to represent the best interests, no interruptions until team presentations are finished as a package, questions/comments can be made after presentations are complete, and **lastly, "coaches" will refrain from saying anything during the bargaining process.** (Coaches may pre-arrange a signal to caucus, if necessary.) **Remind all students to take notes on their Negotiations Chart, identify an adult (teacher or "coach") who will serve as a mediator if an impasse occurs, and establish the deadline for a tentative agreement, allowing at least 2-3 hours for bargaining.**

Then, the Union teams will offer their proposals along with their supporting reasons. Management will listen and take notes, and then will caucus for about 10 minutes to finalize their (counter) proposal #1, before returning to the bargaining table to present it. After taking notes on their Negotiations Charts about Management's proposal #1, the Union will caucus to develop their proposal #2. Union will meet with Management again face-to-face when ready to present. Management will listen, take notes on the Negotiations Charts, ask questions, and then caucus to prepare their proposal #2. In this manner, the bargaining process continues until the allotted time (at least 2-3 hours) elapses.

7. As the deadline for a tentative agreement approaches, a **mediator may be called upon by either side or both in efforts to resolve various problems.** Alternatively, the Union team may decide to strike or the Management team may decide on a lockout. The purpose of the exercise is to try to reach an agreement by the deadline.
8. When the time to reach an agreement is up, labor and management teams should select one student from each group to present a **3-minute report to the entire class covering the following:** Was an agreement reached? What was the most difficult issue to resolve? How was it resolved? From this experience, **what did you learn that will be relevant to your future as a working adult?**

Remember that the Teacher/Coach 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, but have them to decide what to do. Don't forget to refrain from talking during the teams' face-to-face bargaining sessions.

**Collective Bargaining Institute
for Secondary School Students**

AGENDA

(Coaches meet to review coach instructions and get team assignments.)

Hour 1 Welcoming Remarks and Explanation of Agenda

- Introduction of coaches and mediators
- Explanation of the collective bargaining process

Collective Bargaining Caucuses

Students and coaches:

- Review collective bargaining case
- Develop proposals and arguments

Hour 2 Bargaining Sessions

Hour 3

- Union offers proposals
- Management responds
- Caucuses and bargaining continues

Hour 4 Bargaining Sessions Conclude

- As deadline approaches, teams decide whether an agreement can be reached
- Designate a reporter to present results to the concluding session
- Students, teachers, and coaches complete evaluation form

Reports

- Reporters from each team present results
- Closing remarks

Collective Bargaining Institute: Teacher/Coach Goals for Students

Union goals:

- * 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 student 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 goals:

- * 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 students understand that the source of their power to achieve the best outcome in negotiations is in their control (ownership) of the company's finances/budget, ie. 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.

Collective Bargaining Institute: Teacher/Coach Tips on the Issues

1. **Wages:** Unions often buy a share of a corporation's stock to receive quarterly reports about profits and dividends to stockholders.

Private companies don't have to share their budget (like public sector employers must do), unless they claim that they don't have the money to meet the union's economic demands. Unions can invoke the clause of the National Labor Relations Act that requires companies to share all information necessary for mandatory subjects of bargaining, that is, wages, benefits, hours and working conditions. The union's recourse is to file an unfair labor practice charge with the NLRB and wait for adjudication. The union also has the right to strike over an unfair labor practice.

Some students may reflect a class bias against "unskilled" jobs.... Please discuss the importance and value of all work, and that all workers deserve dignity and respect.

2. **Medical Insurance:** Students need to know that insurance rates vary according to a person's age and family size, and the simulation is creating an "average" monthly premium.

Please discuss with students why medical insurance rates are rising. Besides the greed factor in a for-profit business, there is another systemic problem. Due to inadequate government support, hospitals are "shifting costs" for taking care of uninsured patients by raising prices. Medical insurance companies, in turn, pass this expense (\$30 Billion annually) on to the insured (and in this case, the employer in the simulation) in the form of higher rates. This "cost-shifting" would disappear with adequate public funding to insure healthcare for all, as in a national healthcare insurance program.

3. **Health and Safety:** Please discuss OSHA with the students, as well as biohazards, and Workers Compensation insurance for job injuries. OSHA standards on exposure to biohazards require employers to establish exposure prevention and control plans. These plans must include training, as well as product selection/evaluation committees, and at least one half of the committee members must be employees.
4. **Seniority:** This is all about power and fairness, a topic that teenagers care a lot about, so expect this issue might get complicated. Please discuss race and sex discrimination with students, (that may be masquerading as favoritism in the simulation), and Title 7 of the 1964 Civil Rights Act, the EEOC, and related California laws.

When time is up for bargaining and your team prepares to report:

Encourage your team to focus on the big ideas—what did they learn that's relevant to their future workplaces? To solving problems in our world?.....

Also, please encourage (or even assign) under-represented youth on your team to make the final reports at the concluding session.

UNION

Collective Bargaining Fact Sheet

A collective bargaining session is about to begin. You will represent the Solidarity Workers Union, which includes 750 workers at Getwell Hospital, a private, for-profit hospital that is part of the National Medical Corporation (NMC), a very successful chain of 350 hospitals nationwide. The bargaining unit includes licensed vocational nurses (L.V.N.s), certified nursing assistants (C.N.A.s), lab technicians, transport, food service, and maintenance workers. Also at the hospital is a unit of 300 registered nurses (R.N.s), represented by a different union and involved in their own separate negotiations with the Getwell Hospital management The issues in your negotiations are:

1. Wages
2. Medical Benefits
3. Health and Safety
4. Seniority

Your goal is to negotiate the best wage and benefit package you can for a **one-year contract** for your workers. The union has taken a strike vote and is prepared to walk out if its demands are not met. Any contract you agree to must be voted upon by the union membership.

Here's some background:

1. **Wages:** This is one of the most important bargaining issues. The average wage of a bargaining unit member is \$15.00/hour. You feel that past contracts have not kept up with inflation or with other hospitals in your region. You want the new contract to make up for this. Your goal is at least a 6 percent increase in wages. Your initial demand is a 10 percent wage increase, or \$1.50/hour. (Formulas for cost: Each employee works 40 hours x 50 weeks or 2000 hours/year. Each wage increase of 1% for 750 employees x 2000 hours = \$225,000 cost to the company.)
2. **Medical Benefits:** Getwell Hospital has provided health care services at no charge for all employees and their dependents on-site at the Hospital, or any of NMC's hospitals around the nation. This has cost the Hospital an average of \$400/month for each employee in the bargaining unit, or \$3.6 million/year (\$400 x 750 employees x 12 months). Getwell management recently informed the union that the cost of providing

these health care services is increasing. However, your union members want to maintain their current 100% company-paid medical insurance at the hospital. You believe that management can afford to pay for any health care cost increases with a small portion of National Medical Corporation's growing profits.

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 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 or blood, including HIV and hepatitis. Recently, a housekeeper was "stuck" while closing the lid of a "sharps" disposal container that was full. To comply with Occupational Safety and Health Act (OSHA) standards on exposure to blood-borne pathogens, the union wants management to:
 - Set up a labor-management Sharp Safety Committee to establish prevention and product selection programs.
 - Commit \$100,000 to pay for releasing the Committee members from their usual jobs so they can survey co-workers on the efficacy and safety of all "sharp" devices, including disposal systems.
 - Guarantee that the hospital will purchase the safest passive technology available for all devices that are exposed to body fluids or blood. (Passive means no activation required, or in other words, products that are "self-blunting.") Management has already contracted with a safety product distributor for devices that are non-passive and unreliable in the opinion of union members.

4. **Seniority:** The union wants the workers' seniority (length of service with the employer) to govern in shift assignments, (staffing day shift, evening shift, and night shifts), and overtime assignments. The workers feel that the supervisors' "favorites" always get assigned to the day shift and get the overtime assignments. (You could point to a pattern of discrimination here.)

MANAGEMENT

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 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. The Solidarity Workers Union represents 750 hospital employees at Getwell Hospital, including licensed vocational nurses (L.V.N.s), certified nursing assistants (C.N.A.s), lab technicians, transport, food service, and maintenance workers. Also at the hospital is a unit of 300 registered nurses (R.N.s), represented by a different union and involved in their own separate negotiations with the Getwell Hospital management. The issues in this negotiations are:

1. Wages
2. Medical Benefits
3. Health and Safety
4. Seniority

Your goal is to negotiate the least costly wage and benefit package you can, for a **one-year contract**. You want to attract the best employees, yet stay within Getwell Hospital's budget. The Chief Executive Officer (CEO) of the National Medical Corporation has instructed you to avoid spending over \$2 million of new money on improvements in wages and benefits. At the same time, the Corporation's CEO also wants to avoid a strike and its potential consequences. 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.

Here's some 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 \$15.00/hr. (Each employee works an average of 2,000 hours per year, or 40 hours x 50 weeks per year.) You would like to hold wage increases to 3 percent to keep pace with the "cost of living" (or annual rate of consumer price inflation, as measured by the Consumer Price Index -- CPI). Each wage increase of 1% for 750 employees = \$225,000 cost to the Hospital budget. You would like to keep wage costs down in order to increase the annual dividends that the National Medical Corporation pays to its stockholders. You will inform the union negotiators that higher wages could mean layoffs.
3. **Medical Benefits:** Getwell Hospital has provided health care services at no charge for all employees and their dependents on-site at the Hospital, or any of NMC's hospitals around the nation. This has cost the Hospital an average of \$400/month for each

MANAGEMENT Collective Bargaining Fact Sheet

employee in the bargaining unit, or \$3.6 million/year (\$400 x 750 employees x 12 months). However, the cost of providing these health care services is expected to increase 15% next year. You believe the employees should share some of this health care insurance burden, just like many other employees have to in private businesses. You also know that the National Medical Corporation, which owns Getwell Hospital, wants to reduce labor costs. Therefore, you want the employees to start contributing \$60/month as a “co-payment” to the Getwell Hospital Employees Health Care Insurance Fund, in order to maintain their medical benefits at the hospital.

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 or blood, including HIV and hepatitis. To comply with Occupational Safety and Health Act (OSHA) standards on exposure to blood-borne pathogens, management wants to:
- Launch a sharp safety committee and select all the committee members.
 - Reserve the right to select all “sharp” devices or products and “sharps” disposal systems used by workers, based on both safety and budget considerations. Management will inform the union that the hospital has already contracted with a distributor to provide safety products that are cost-effective.
4. **Seniority:** You feel your supervisors should have the right to schedule the shifts of all employees and make all overtime assignments, in order to staff the day shift, evening shift, and night shifts with experienced personnel. The union believes that scheduling shifts and overtime assignments should be based on worker’ seniority (length of employment) with the company.

PLANNING FORM

Wages: Initial proposal and supporting arguments	Medical Benefits: Initial proposal and supporting arguments
Health and Safety: Initial proposal and supporting arguments	Seniority: Initial proposal and supporting arguments
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? Be sure to integrate these ideas into your supports for the issues above.	

NEGOTIATIONS CHART

Issues	Union Proposal #1	Management Proposal #1	Union Proposal #2	Management Proposal #2	Union Proposal #3	Management Proposal # 3	Tentative Agreement
1. Wages (cost formula: each 1% = \$225,000)	10% in a one-year contract						
2. Medical Benefits	Maintain 100% fully paid insurance by Hospital						
3. Health and Safety	Labor-management Committee and training: \$100,000						
4. Seniority	Shift and Overtime Assignments						

