



## WEBINAR OVERVIEW

# The Resurgence of Unionization Activity and What it Means for Employers

April 12, 2023

### **I. Intro/Setting the Stage**

- The Current Landscape Related to Unionization
  - Organized Labor Appears to be having a moment
  - The Numbers
  - Industries and Worker Demographics

### **II. Trends Leading to the Rise in Unionization**

- Impact of the Pandemic on Union Organizing Efforts – Questions and Reframing
- The Role of College-Educated Workers
- Other Factors that Are Contributing to the Current Uptick in Organizing Efforts
- Societal and Ideological Shifts
- Changing and More Favorable Political Climate
- Technology and Organizing – More “Bottom up” Organizing, Utilizing Technology

### **III. Interesting Facts/Highlights and Lessons Learned from Starbucks and Amazon Organizing**

### **IV. HRtelligence TIPS**

# WEBINAR OUTLINE

## I. Intro/Setting the Stage

### A. The Current Landscape Related to Unionization

#### 1. “Organized Labor Appears to be Having a Moment”

- After decades of erosion in the private sector, U.S. workers are organizing at a pace not seen in many years.
- In December 2021, a Starbucks in western New York became the first to unionize, sparking a wave of union elections in stores across the country.
- First-ever unions have also formed at an Amazon warehouse in Staten Island, an Apple store in Maryland, and an REI store in New York City.
- Employees from companies across the country are increasingly organizing as a means of asking for more benefits, pay and safety from their employers.

*Notes: After a long period of decline in the private sector, U.S. workers are now "having a moment" and organizing at a pace not seen in many years, notes the Council of Economic Advisors*

#### 2. The Numbers

- Recent data from the Bureau of Labor Statistics and the National Labor Relations Board show that more than 16 million workers in the United States were represented by a union—an increase of 200,000 from 2021. That included an increase of 112,000 in the private sector and an increase of 88,000 in the public sector.
- Between October 2021 and September 2022, the National Labor Relations Board saw a 53% increase in union election petitions, the highest single-year increase since fiscal year 2016.

#### 3. Industries and Worker Demographics

##### Demographics:

This recent wave of worker organizing is partially concentrated among younger and more college educated workers

##### Industries

- **Service sector**

- **Think Tanks**
- **Media**
- **Tech**
- **Health Care**
- **Transportation and warehousing (+46,000),**
- **Arts, entertainment, and recreation (+62,000),**
- **Durable goods manufacturing (+76,000)**
- **State government (+99,000) (Public Sector)**

*Notes: The highest-profile of this organizing seems to be in the tech sector. Amazon warehouse workers in Alabama began voting the week of Feb. 8 on whether to unionize, and workers at Google recently set up a minority union. Amazon workers have until the end of March to vote.*

#### **4. More Widespread Support for Unions**

- A Gallup poll conducted in September showed 68% percent of Americans approve of labor unions – the highest rate since 71% in 1965.
- Labor movement maintains there is further evidence that many more workers would like to form a union but face barriers to doing so.

#### **5. Gen Z and Changing Sentiment Towards Unions**

- Gen Z - America's most pro-union generation  
<https://www.americanprogress.org/article/the-closing-gender-education-and-ideological-divides-behind-gen-zs-union-movement/>
- "Unions are cool again for this generation."
- View unionization as a "statement"
  - Why?
    - Inflation
    - High cost of education and education related debt
    - Post pandemic rethinking of values and priorities
    - Existing and broadening wealth gap and wage gap
    - Tight labor market placing additional demands on existing workforce
    - Generation removed from stories of union mismanagement/corruption
    - Political support and climate

## **II. Trends Leading to the Rise in Unionization**

## **A. Impact of the Pandemic on Union Organizing Efforts – Questions and Reframing**

- Is there another way to work and live?
- What is the relationship between employers (management) and workers?
- Why is there a wider gap between employers and workers in earnings?
- Does my employer care about my safety and well being?

*Notes: As governments and employers imposed new restrictions to slow the spread of the pandemic, and demand spiked for services that let people do more from home, like e-commerce and grocery delivery, employees were faced with new challenges. Retail workers had to enforce mask-wearing and check vaccination status. Delivery and warehouse employees worried that they weren't equipped properly with the right safety gear.*

*At the same time, the huge disruptions in buying patterns drove record profits at companies like Amazon and Google, who were equipped to fulfill the needs of a society suddenly forced to stay home. The distance between leadership and rank and file widened as a result, experts said, adding that in many cases executive salaries increased while employees' wages stayed the same.*

## **B. The Role of College-Educated Workers**

- More college-educated people view unions positively (70% v. 55% 40 years ago Source New York Times)
- Rise of college educated workers in the service sector in lower wage jobs. College educated workers in eating/drinking establishments make up 1/4 of that segment of the workforce.
- College-educated workers are playing a key role in propelling [workplaces] toward unionization, experts say, because the college-educated often feel empowered in ways that others don't.

## **C. Other Factors that are Contributing to the Current Uptick in Organizing Efforts**

- Historically-tight labor market, especially in the service sector, has increased workers' leverage coming out of the pandemic
- Overworked during pandemic and feeling frustrated (Health care sector)
- Remote/hybrid work and social distancing and impact on communications
- The Fair Labor Standards Act (FLSA) is a federal law which applies in all states, and sets a minimum standard for regulations concerning wages, overtime, and hourly work.

## **D. Societal and Ideological Shifts**

The ideological element, as unions are attempting to align themselves with social justice movements:

- Activism around worker safety and health
- Protection against unfair or unequal treatment
- Better wages and benefits
- Sense of belonging

## **E. Changing and More Favorable Political Climate**

- President Joe Biden vowed to be the “most pro-union president ever” and has been very vocal about his support for the PRO Act, which aims to make the unionization process easier and less bureaucratic.
- New General Counsel Abruzzo - former union attorney, who has been using her enforcement powers pretty widely.
- White House Task Force Report

*Notes: The Biden Administration supports the Protecting the Right to Organize Act, or PRO Act, which would make it easier to unionize by preventing companies from holding mandatory anti-union meetings and imposing penalties on employers who retaliate against organizers. The Administration has also taken significant steps toward improving worker leverage, from appointing former union officials to the National Labor Relations Board, to establishing a task force to promote labor organizing, and adding prevailing wage and apprenticeship requirements to the recently passed CHIPS Act and Inflation Reduction Act. These are initial steps to improve worker bargaining power, which has significantly weakened since the 1970s. <https://www.whitehouse.gov/cea/written-materials/2022/09/05/the-state-of-our-unions/>*

## **F. Technology and Organizing – More “Bottom up” Organizing, Utilizing Technology**

- Texting
- Online platforms – i.e., [Coworker.org](https://www.coworker.org/) saw rise in use of its platform
- Digital channels like slack method of communicating issues
- Impact of Social media, video messaging and other mediums as primary communications vehicles with employees

## **III. Interesting Facts/Highlights and Lessons Learned from Starbucks and Amazon Organizing**

### **A. Starbucks**

- Unionization efforts have been successful at Starbucks. In December 2021, employees at a Starbucks store in Buffalo, New York were the first to successfully vote to unionize. Since the first store's success, approximately 200 Starbucks stores have followed suit and filed union petitions, including stores in Boston, Chicago and Seattle. The organizing efforts are being led by a group called "Starbucks Workers United" and are supported by the SEIU affiliated "Workers United."

## **B. Amazon**

- On April 1, 2022, the Amazon Labor Union (ALU) made history by becoming the first labor organization to win an election at Amazon with its victory at the JFK8 warehouse in Staten Island, New York City.
- The ALU is an independent union founded by two individuals, including an employee who was terminated after he led a safety walkout, and a current Amazon employee stationed at JFK8.
- Most notably, the ALU won the election despite minimal financial resources and virtually no union organizing experience. The organizers ran their campaign from a nearby public bus stop and relied on unconventional tactics to connect with employees.

## **IV. HRtelligence TIPS**

- A recent surge of unionization efforts, coupled with unique economic conditions and key initiatives at the National Labor Relations Board (NLRB), signal a potential resurgence of the labor movement.
- Employers with or without unionized workforces should closely monitor these developments and ensure they understand the potential impact on their operations.
- The surge in union organizing activities, in addition to union-friendly changes at the NLRB, should not be taken lightly by employers. Union campaigns are often successful because employers are caught off guard without a plan.
- Employers with unionized workforces should continue to work with their counsel to monitor these developments, as they may impact your current bargaining units.
- Employers without a unionized workforce should assess the climate of their workforce and work closely with counsel to understand their rights, the NLRB representation process, and put together a tentative plan on how management would respond to attempts to unionize.