

# Report 2011



## The Benefits of Collective Bargaining for Professional and Technical Workers

### Introduction

Collective bargaining is a form of employer–employee relations that allows employees to be heard in the workplace on issues that affect them. It offers workers the advantage of being able to speak with one voice. Professionals use collective bargaining to preserve workplace integrity and respect, and create safe, professional, and rewarding work environments. Professionals customize collective bargaining agreements to meet the needs of the specific employer and workers.

This report provides an overview of the ways professional and technical workers benefit from collective bargaining. Included is information on: how professional and technical workers negotiate their compensation; how collective bargaining can address workplace issues; and how collective bargaining agreements address grievances.

### Forms of Compensation for Professional and Technical Workers in Unions

Generally, union members have favored traditionally structured hourly wages and salaries over pay that depends on productivity. Many union members prefer fixed wages because they are more likely to stay in jobs longer and receive deferred benefits, like pensions.<sup>1</sup> However, union members in professional and technical fields are more likely than blue-collar workers to have part of their compensation based on productivity or other measurable events. Compensation based on productivity includes bonuses, profit-sharing, incentive pay, and stock options.

In general, union members in professional and technical fields have accepted slightly lower wages in exchange for greater fringe benefits, which include health insurance; life and disability insurance; pension; paid holidays; and sick time. However, the form of employee compensation is a reflection of employee preference and is voted on first by the bargaining team, which is made up of company employees, and then members of the bargaining unit. “[A]s unions are political institutions with contract ratification and leadership selection done by majority voting...unions will negotiate compensation packages to reflect the preferences of the average worker....”<sup>2</sup>

---

<sup>1</sup> Antos, Joseph R. “Union Effects on White-Collar Compensation.” *Industrial and Labor Relations Review*, Vol. 36 No. 3 (Apr., 1983): 463.

<sup>2</sup> Budd, John W. “Non-Wage Forms of Compensation.” *Journal of Labor Research* 4 (Fall 2004): 600.

In fact, there is a lot of variety in the collective bargaining agreements of professional and technical workers. Many collective bargaining agreements for professional and technical workers set a wage floor. The worker and the employer are then free to negotiate for any salary, based on individual performance or other factors, above the minimum salary.

For example, broadcast technicians at CBS Broadcasting, Inc. (CBS), who are represented by the International Brotherhood of Electrical Workers (IBEW) have a collective bargaining agreement that sets forth minimum weekly salaries based on their position and length of employment with CBS. Technicians can negotiate salaries above the minimum, taking job performance and other factors into consideration.

One additional form of compensation for broadcast technicians is overtime pay. The IBEW collective bargaining agreement states that any time worked in excess of an eight-hour day must be compensated at one and one-half times regular pay.<sup>3</sup> Overtime pay is a key source of additional compensation for union members, who are more likely to receive overtime pay than nonunion members.<sup>4</sup>

Another compensation example comes from the Temple University faculty and librarians. The positions are represented by the Temple Association of University Professionals and the American Federation of Teachers (AFT). Their collective bargaining agreement establishes that the faculty and librarians are eligible for merit pay. Merit pay at Temple University is given in the form of “merit awards.” These monetary awards are “given principally for outstanding performance in teaching/instruction and in research/scholarship/creative activity.” Awards can also be given on the basis of “outstanding performance in service to the University, in service to the profession/discipline and in discipline-based community service.”

While the Temple University collective bargaining agreement ensures that all faculty and librarians receive fair wages, it also allows the university to reward those who excel. University faculty and librarians know that in their field, academic scholarship and activity that raises the status of the university should be encouraged and rewarded. Since the collective bargaining agreement is voted on by faculty and librarians, the agreement reflects that they support the use of merit awards.

At Boeing, the professional and technical employees are represented by the Society of Professional Engineering Employees in Aerospace, International Federation of Professional and Technical Engineers (SPEEA). Employees at Boeing receive minimum salaries as well as annual minimum increases (2 percent per year). In addition, employees are eligible for annual pay raises (salary adjustments) based on their work performance. Determinations regarding the salary adjustment and amount of the salary adjustments are made at the manager’s sole discretion. SPEEA’s collective bargaining agreement with Boeing sets forth a formula for

---

<sup>3</sup> It is important to note that the employee is paid overtime for the amount of work in excess of the eight-hour day. The employee is not required to first work 40 hours before earning overtime pay.

<sup>4</sup> Barkume, Anthony J. “Compensation Supplements and Use of Incentive Pay in U.S. Job Markets.” U.S. Department of Labor, Bureau of Labor Statistics, Office of Compensation and Working Conditions, Working Paper 352 (Feb., 2002): 4.

determining the amount of money available for salary adjustments. Boeing also has a bonus program and a program for rewarding employees who perform exceptional work.

Unions also help to counter gender and minority pay inequities. In 2010, 11.1 percent of female workers, 13.4 percent of African American workers, 10.9 percent of Asian workers, and 10 percent of Hispanic workers were union members.<sup>5</sup> In 2010, female union members earned 25.3 percent more (\$217 extra per week) than non-union female workers.<sup>6i</sup> African American union members earned a median weekly salary nearly 23.7 percent higher (\$183 extra per week) than their non-union counterparts in 2010; the difference for Hispanic and Asian workers was 33.6 percent (\$259 extra per week) and 7.4 percent, respectively.<sup>7</sup>

### Addressing Workplace Concerns through Collective Bargaining

Collective bargaining is an important way for workers to come together and let their voice be heard in the workplace. Through collective bargaining, workers can earn and maintain middle-class wages; have access to benefits, including health and pension; and bargain on issues that allow workers to perform their jobs right. One goal of collective bargaining is for workers to be heard on non-compensation issues. Since agreements addressing non-compensation issues are not written in a one-size-fits-all manner, the agreement reflects issues of particular concern to the union membership.

The collective bargaining agreement in the San Francisco Unified School District allowed the teachers' union (United Educators of San Francisco, AFT Local 61, AFL-CIO, NEA/CTA) and the San Francisco Board of Education to address issues of classroom size and health and safety. The agreement sets a goal of having no more than 20 students per teacher in grades kindergarten through three; 32.2 students per teacher in grades four and five; 33.1 in middle school; 34.4 in high school; nine severely impaired students per teacher; 13 learning impaired students per teacher; and 9.7 severely emotionally disturbed students per teacher.

The teachers in the San Francisco Unified School District also bargain to address health and safety. The collective bargaining agreement requires that: there be a comprehensive safety and disaster plan; all safety notices be conspicuously posted; information from the Health Department be immediately provided to teachers; teachers have a mechanism for immediately notifying district officials of hazardous conditions; and all classrooms have a first-aid kit.

Collective bargaining agreements for firefighters often include provisions for the acquisition, cleaning, and maintenance of "turnout gear," the lifesaving equipment worn by firefighters, as well as other safety equipment. For example, the City of Philadelphia and the

---

<sup>5</sup> U.S. Department of Labor, Bureau of Labor Statistics, "Union Affiliation of Employed Wage and Salary Workers by Selected Characteristics," (*Economic News Release*, January 21, 2011), Table 1.

<http://www.bls.gov/news.release/union2.t01.htm>

<sup>6</sup> U.S. Department of Labor, Bureau of Labor Statistics, "Median Weekly Earnings of Full-Time Wage and Salary Workers by Union Affiliation and Selected Characteristics," (*Economic News Release*, January 21, 2011), Table 2.

<http://www.bls.gov/news.release/union2.t02.htm>

<sup>7</sup> *Ibid.*

International Association of Fire Fighters, Local 22 bargained for the acquisition, cleaning, and maintenance of protective clothing. The 2003 collective bargaining agreement with the Local also provided for a second set of turnout gear and two-way radios for use by each active firefighter while at a fire. A firefighter's ability to communicate with fellow firefighters and command while at a fire is critical to firefighter safety.

Members of arts, entertainment, and media unions can face unique challenges in the workplace. For example, the Screen Actors Guild (SAG) provides protection for stunt performers. Specifically, "a qualified first-aid person, visually identifiable, shall be present on all sets where hazardous work is planned. The Producer shall properly equip this person, establish the capabilities of nearby medical facilities, and provide transportation and communication with these facilities." SAG also provides protections for dancers who are susceptible to injury when dancing under "hazardous" conditions.

SAG also helps to ensure reasonable accommodation for performers who are blind or visually impaired. The collective bargaining agreement provides that the "Producers and performer shall make mutually acceptable provisions to make the script available to the performer in advance of auditions."

Registered nurses (RN) typically bargain for safe staffing levels in their collective bargaining agreements. Safe staffing in hospitals is shown to significantly lower patient mortality and improve nurse retention. Thus, many nurses, including those in New Jersey AFT, AFL-CIO Local 5089 and Maryland AFT, AFL-CIO Local 5197, use collective bargaining to improve patient care and outcomes.

Striking RNs at Mt. Clemens General Hospital in Mt. Clemens, Michigan, reached a new contract where a three percent pay raise offered by the hospital was turned down in favor of a two percent raise and the hiring of 25 additional nurses in order to offer better, more professional patient care.<sup>8</sup>

Another way that collective bargaining agreements address workplace concerns is through the creation of Labor-Management Committees (LMCs). LMCs are made up of an equal number of union appointees and management appointees. The purpose is to allow the union and the employer to raise workplace concerns. LMCs tend to be informal and protected settings where employee and employer concerns can be brought for resolution. An employee raising the concern can usually do so anonymously through a union representative.

Faculty and management at the University of Montana, Helena (UM-Helena) have an LMC, which was created "for the purpose of discussing any matters of mutual concern and to improve communications between the employer and members of the bargaining unit." The faculty is represented by the Helena Teachers' Union, MEA-MFT, NEA, AFT, AFL-CIO. The collective bargaining agreement at UM-Helena specifically provides that "disagreements concerning use of flexible days" are referred to the LMC. Also, disputes regarding a faculty member's request for recognition of professional development activity (a criterion for promotion) can be taken to the LMC.

---

<sup>8</sup> Deal Ends Nurses Month-long Strike (20 September 2004). *The Chicago Tribune*.

The terms of every collective bargaining agreement are different, because the workers affected by the agreement have unique concerns. Health and safety issues for teachers in San Francisco are likely to be different from those for teachers in rural Iowa. Collective bargaining offers workers an opportunity to use their combined expertise to address workplace issues that directly affect them.

### Addressing Grievances and Discipline

A central tenet of all collective bargaining agreements is due process. Due process requires that an employee have notice and an opportunity to respond to allegations made by the employer. It is not a coincidence that due process is also a central tenet of our criminal justice system as enshrined in the Fifth and Fourteenth Amendments to the U.S. Constitution.

The employer and the union establish and agree to grievance and discipline guidelines. Nearly all collective bargaining agreements have provisions for resolving grievances and disciplining employees. Those guidelines are clearly set forth, in writing, in the collective bargaining agreement, which is distributed to all union members. Collective bargaining agreements only require that an employer follow procedures that are clearly laid out in the agreement when seeking to reprimand, demote, or terminate an employee. A union job is not a “job for life.” However, a union job does afford workers greater protection against unfair unilateral actions by employers.

The collective bargaining agreement between the Defense Contract Management Agency and the American Federation of Government Employees, Council 170 provides for the creation and use of written performance plans to objectively monitor employee progress. Employees who receive successful evaluations may be eligible for cash awards, time-off awards, quality step increases, and honorary awards, among other things. In the case of employees who receive a poor performance evaluation, supervisors must take action to warn employees of the poor performance and take other steps to try to improve the employee’s performance. If, after taking steps to improve performance, that is not possible, then the supervisor must take action to reassign, demote, or remove the employee. The action required as a result of unacceptable performance is clearly laid out in just two pages in the collective bargaining agreement.

### Conclusion

Collective bargaining allows employees to express a preference for how they are compensated. For professional and technical workers, that increasingly means compensation based on productivity. Collective bargaining also affords professional and technical workers the opportunity to bargain on a range of issues, including subjects that affect their ability to do their job, fairness, and health and safety. Finally, collective bargaining provides due process in the event of grievances or discipline issues.



For more information on professional workers, check the DPE website: [www.dpeaflcio.org](http://www.dpeaflcio.org)

*The Department for Professional Employees, AFL-CIO (DPE) comprises 23 AFL-CIO unions representing over four million people working in professional and technical occupations. DPE-affiliated unions represent: teachers, college professors, and school administrators; library workers; nurses, doctors, and other health care professionals; engineers, scientists, and IT workers; journalists and writers, broadcast technicians and communications specialists; performing and visual artists; professional athletes; professional firefighters; psychologists, social workers, and many others. DPE was chartered by the AFL-CIO in 1977 in recognition of the rapidly growing professional and technical occupations.*

Source: DPE Research Department  
815 16th Street, N.W., 7th Floor  
Washington, DC 20006

Contact: Jennifer Dorning  
(202) 683-0320 extension 114  
jdorning@dpeaflcio.org

---

May 2011

