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# Labor Forecast: Batten Down the Hatches, Labor's Perfect Storm is Brewing

Presented by Integrated Healthcare Strategies  
as Authored by Becky Brown

Historically, the widely-accepted approach to labor relations in healthcare consisted of ad hoc actions usually driven by a “fire fighter” mentality to minimize a specific labor concern. Most healthcare organizations employed a labor training, assessment and educational communication strategy only in the event of visible union activity, and often only if a National Labor Relations Board (NLRB) Petition appeared imminent. Labor activity was viewed as a threat to organizations with poor employee relations practices, period. As a result, most organizations have spent the last decade focusing primarily on achieving positive employee relations and, more recently, high levels of employee engagement in lieu of adopting a robust labor relations strategy. Only the most proactive healthcare organizations, or those with close geographic proximity to historically high levels of union activity, have typically adopted routine training and assessment protocols in the absence of active organizing activity.

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Simply stated, labor has shifted their approach, attempting to reinvent their perceived purpose and to overcome the stark decline in union membership and influence over the past few decades. Not unlike a company experiencing declining sales, labor has attempted to reinvent its image with refocused sales tactics centered on “fixing” healthcare, being a partner for quality patient care and safe staffing ratios rather than traditional union rhetoric promising job security and higher pay and benefits. A contrasting and often significantly more aggressive approach has been labor's attempt to circumvent its primary buyer--the individual employee--altogether

through negative top down pressure tactics and reputational attacks (Corporate Campaigns) aimed at achieving an employer's agreement to voluntarily turnover the rights of its employees, commonly referred to as "neutrality."

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At the center of the storm is the Employee Free Choice Act (EFCA), a bill which, if passed, is expected to dramatically increase union membership by, among other things, eliminating the NLRB secret ballot in favor of a simple "card check" recognition process lacking virtually any limitations on a union's use of deceptive card signing tactics. While the likelihood of the Bill's passage has been subject to much debate in recent

months, supporters remain vocally confident they will have the 60 votes needed to achieve passage from the Senate as well as a sufficient number of votes for success in the House. This optimism assumes Al Franken (D-MN) will be seated in the Senate and that recent Democratic convert, Arlen Specter (D-PA) can be persuaded to support a compromise bill. Just last week in a televised interview, Service Employees International Union President, Andy Stern, boldly predicted, based on his recent discussions with leaders in Washington, that EFCA in some form will be law by October of this year. Labor's commitment to EFCA's passage has resulted in millions of dollars spent on targeted ad campaigns and lobbying efforts on both sides of the issue and has even created an unlikely alliance between SEIU and the California Nurses Association (CNA) with their public announcement of a joint commitment to passage of the EFCA.

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Regardless of the EFCA's timeline or eventual fate, unions will likely soon experience another boost with President Obama's recent appointment of two strong union supporters to fill two of the three vacant NLRB posts. These appointments will create a Democratic majority on the Board for the first time in eight years and, unlike the cumbersome legislative process in Congress, the NLRB has the potential power to make significant changes which would ease the organizing process for unions and/or overturn the NLRB's decisions during the prior Bush Administration.

It is clear the labor environment has changed and continues to evolve. In response, organizations must change the manner in which they prepare to weather and successfully navigate the storm. Vulnerability to union influence must be measured differently and

continuously monitored. To be prepared, every healthcare organization should develop an education, assessment and on-going communication plan that is intertwined into normal business operations, not separate or ad hoc as was acceptable in the past.

To weather the storm successfully, organizations must learn to think beyond the traditional confines of preventive labor relations; a topic historically cloaked in mystique and often evoking strong reluctance to confront labor relations conversations proactively. Without a change in approach, in the future organizations will likely not have adequate opportunity to educate and persuade employees, resulting in uninformed and/or unmotivated employees choosing representation or having only some employees choose for them, possibly unknowingly. Many healthcare organizations are now beginning to train leaders and educate employees about the consequences and risks of unions as part of their normal discussions to favorably position themselves for anticipated changes in the law.

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Further, organizations can no longer simply rely on positive employee relations or even strong employee engagement, but rather must adopt a comprehensive, strategic approach beginning as early as employee orientation (if not during the hiring process). A key factor in this new environment is the need to educate and motivate front-line leadership on a continual basis, not just when union activity is present. In addition, employees must be educated on the organization's philosophy and desire to remain union free from day one, when they are likely most receptive and open to aligning with the organization.

### **About the Author**

Becky Brown's nationwide consulting practice spans a broad array of Human Resource Capital areas, including management to employee relationships and communication improvement, employee and leadership surveys, positive employee and preventive labor strategies, and performance management redesign. Ms. Brown's healthcare HR Capital experience combined with her legal background make her uniquely adept at approaching today's labor issues from an insightful, management perspective. Ms Brown has been asked to speak at national and state healthcare and human resource organizations, as well as onsite seminars and leadership training for healthcare executives, boards of directors and thousands of healthcare managers and supervisors nationwide. Prior to joining Integrated Healthcare Strategies, Ms. Brown's legal practice included representation of individuals and companies in a variety of labor and employment related matters. Ms. Brown has a juris doctorate degree and a Bachelor of Arts degree in political science with honors from the University of Missouri – Columbia.  
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### **About Integrated Healthcare Strategies**

Integrated Healthcare Strategies provides not-for-profit healthcare organizations with direct access to a comprehensive array of healthcare-specific services, delivered by professionals from the industry who understand the rigors of running a healthcare organization – from the lunchroom to the Board Room. Its client list is a “who’s who” of healthcare organizations including over 1200 major healthcare providers, 1,800 hospitals and 500 physician groups. The MSA HR Capital practice of Integrated Healthcare Strategies provides comparative data on over 1,000 hospital organizations to tailor solutions to each client organizations specific work environment to ensure they reach their objectives by integrating management, compensation, labor relations and employee engagement goals into one seamlessly operating strategy. For more information, visit [www.IHStrategies.com](http://www.IHStrategies.com), or call 800.821.8481.