



LABOR- MANAGEMENT RELATIONS

FOURTH EDITION

**DANIEL
QUINN
MILLS**



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LABOR- MANAGEMENT RELATIONS

FOURTH EDITION

Daniel Quinn Mills

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To Joyce, Lisa, and Shirley

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Professor Mills is widely and often quoted in the national media, including *The New York Times*, *Wall Street Journal*, *Chicago Tribune*, *Los Angeles Times*, and *Business Week*. He has appeared on the Today Show on NBC.

PREFACE

This fourth edition of *Labor-Management Relations* is the result of continuing changes in our economy, in the law, and in research. Students who have used the previous editions of *Labor-Management Relations* and faculty members who have taught from it have been in touch with me suggesting alterations, additions, and improvements in the text.

Also, this edition, like the others, owes a major debt to my continuing experience as a neutral in the practice of labor-management relations. I continue to serve as a mediator and as an arbitrator in labor-management disputes and to have the opportunity to discuss with union officials, managers, and government officials various aspects of their own involvement in collective bargaining, grievance processing, and dispute settlement. A focus on the actors involved in labor-management relations (employees, unions, management, government, and the public) remains a principal feature of this book.

Labor-management relations is the subject of this book. Also included is material from personnel administration, human behavior in organizations, and labor economics. Other books frequently try to treat labor relations with other disciplines, but usually choose to emphasize one set of factors or another. In the past, the most common mergers were of labor relations and labor economics. Today, labor relations are often combined with a theoretical structure derived from the behavioral sciences. But, in my judgment, these combinations, which aim at straightforwardness in presentation, suffer from oversimplification. In an effort to give students a clear presentation, these books give them instead only a half-truth. In our society, labor relations is, in fact, a complex combination of law, human relations, and economics. This book attempts to slight none of these influential factors.

This edition reflects a change in American labor relations practice by including a subtle change in emphasis, accomplished by detailed rewriting,

from labor-management relations as a formal, adversarial relationship, typified by written contracts and detailed rules, to a more informal and cooperative relationship, typified by working understandings. This is not to say that American industrial relations has accomplished this transition completely, or even in a majority of situations, but that the adversarial system is no longer so dominant that it can be used as a surrogate for the system as a whole.

Unfortunately, sources of data about labor-management relations were richer several years ago than they are now. In particular, agencies of the federal government have reduced the types of data collected and the frequency of publication. As a result, several tables and charts in the text cannot be updated and have been removed. Others can be updated only to a limited degree.

Organization Users of the second edition helped to determine the organization of subsequent editions. Essentially, the chapters on the history, philosophy, and structure of the American labor movement were moved to the front of the book, permitting students to obtain historical perspective and some acquaintance with American unions before turning to the legal framework, which is so important in our country. The chapters on the legal framework of collective bargaining remain in the front of the book, so that students obtain at the outset an understanding of how the law prescribes the roles of unions, managers, and government agencies in determining how employees are treated by the companies for which they work. This organization allows the student to obtain an understanding of how unions are chosen by employees before moving on to consider the characteristics of the American labor movement and the collective bargaining process.

Central Theme Viewed in the context described above, the central theme for the book has not changed. This theme begins with the recognition that at the core of employee-employer relationships is the exercise of authority and the use of power. Labor relations is, in a fundamental sense, about the use of power by managers. When employees suffer from the abuse of authority by managers, unions are a device by which employees establish a countervailing center of power. Collective bargaining is a process by which two centers of power are brought to an accommodation with each other. Because of the threat of overt conflict in collective bargaining, government has the obligation to establish the rules by which the contests of management and labor are played out. Where a collective bargaining agreement exists, grievance procedures are a method by which disputes between two powerful protagonists can be resolved with as little disruption to the work organization and the external community as possible.

The resolution of contests between management and labor creates rights and obligations for each. It is through the creation of rights for employees that conflict between management and labor is minimized and increased humanization is brought to the workplace. And, on the other hand, it is by the creation (or protection) of the rights of managers that economic necessity is recognized and efficiency is advanced. Thus, the theme of power, its exercise

and its limitations, is found throughout labor-management relations. Newly vigorous competition in output markets and developments in capital markets give focus to and place constraints on all of this. But they do not change it.

Students of labor-management relations should take away from this book five ideas:

First, an appreciation of the role of management and unions in our society

Second, a framework for analysis of labor-relations problems and their resolution

Third, experience in grievance arbitration and collective bargaining negotiations obtained from exercises provided at the end of this volume

Fourth, increased knowledge and information about labor-management relations

Fifth, a review and reexamination of their own attitudes, based on new knowledge and experience

Students should be free to develop their own attitudes and opinions about labor relations. In order to facilitate independent thinking, I have tried to avoid offering broad judgments about important ideas. Instead, I have attempted to provide a reasonable amount of information, both pro and con, from which students, with guidance from their instructor, can make their own judgments. Above all, this book is intended to ask readers to think hard about questions of labor-management relations, for underlying forces often point to conflicts and contradictions and, therefore, to the problems and opportunities of the future.

I am deeply grateful for the assistance of many reviewers, including: C. Autermiller, Oakland Community College; Barry S. Axe, Trenton State College; Herbert Bienstock, Queens College; Donald Coffin, Indiana University, Northwest; Joan Dahl, Cal-State, Northridge; Jack Fiorito, University of Iowa; Charles Greer, Oklahoma State University; I. B. Helburn, University of Texas, Austin; Christine Hobart, Northeastern University; Nancy Johnson, University of Kentucky; Fred Luthans, University of Nebraska; Ronald Miller, Oregon State University; Harry Mills, East Texas State University; Jonathan Monat, California State University, Long Beach; Stanley Phillips, Tennessee Technical University; Ted Prenting, Marist College; Mark Prous, SUNY-Potsdam; Ali Raza, California State University-Sacramento; Robert Rodgers, University of Texas, Austin; Ronald Seeber, Cornell University; Lee Stepina, Florida State University; William D. Torrance, University of Nebraska; Harold White, Arizona State University; and Ben Workinson, Michigan State University. I hope that this revised edition is responsive to their needs.

Daniel Quinn Mills

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