



THE SHARED POWER ADVANTAGE:

How to build a thriving company where workers have a seat at the table

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“
People have a fundamental right to organize.
I think it's our duty, it's really our
responsibility as a company to recognize,
respect, and even enable people to exercise
this.... I want us to move forward with the kind
of collaboration and constructive
relationships with our employees, whether
they're represented by a union or not.”

BRAD SMITH

Vice chair and president of Microsoft, at a 2023
joint event with the AFL-CIO

“

Unions and the labor movement stand ready and willing to work together with businesses all across this country: innovating together, becoming more skilled and efficient, and creating better outcomes for everyone.”

LIZ SHULER

President of the AFL-CIO, speaking before Congress in 2023

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Introduction

In 2023, business leaders across industries contended with a broad call for more responsive, democratic workplaces, exemplified by a resurgent labor movement. Nearly half a million workers withheld their labor in 354 strikes in just the first 10 months of the year—roughly four times as many as went on strike over the same time frame in 2022—and the number of petitions for union representation has continually increased over the past two years.

Employees have also demanded a greater say in the workplace beyond unionization. Led in part by the youngest generation of workers, they have challenged leaders to build more ethical and humane workplaces on issues as diverse as compensation, hiring, paid leave, social and political issues, and the return to office. Some 38% of workers were involved in employee-led activism in 2019—defined as speaking up to support or criticize an employer's actions over a controversial issue that affects society—according to a report from public relations firm Weber Shandwick.

However you choose to explain this mass activation of workers of all kinds across the US—the economic and social shocks of the Covid pandemic, the high inflation that followed, decades of rising inequality and especially rising CEO pay, a surprisingly strong labor market, access to social media enabling solidarity with disparate workers and easy access to public attention—the message is clear: Working people want more power over the terms and conditions of their work. Instead of viewing organizing as a threat or incursion, enlightened employers will find the opportunity in it. The same mechanisms that make a workplace more democratic, collaborative, and fair also can support and expand existing company priorities, from improving products and adopting new technologies to advancing diversity, equity, and inclusion efforts. This guide provides an introduction to such mechanisms, and offers an alternative to the traditional adversarial playbook that employers have relied upon for decades to inform their response to worker organizing.

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In addressing readers' likely questions and concerns about taking a new approach, this guide will show how traditional responses—those that seek to avoid or oppose greater agency for workers—are outdated, poorly matched to contemporary workplace expectations, and antithetical to most companies' stated values. And for those who are already committed to fairness and equity within their workplace but may be unfamiliar with the full spectrum of approaches to worker empowerment, the following chapters will help you level up your practice.

History

The idea of sharing power with workers in democratic, collaborative arrangements is not new. Amid widespread labor strife in 1919—and an increasing interest in the idea of industrial democracy—financier John D. Rockefeller Jr. expressed his own belief in fair worker representation and collective bargaining: “Surely, it is not consistent for us as Americans to demand democracy in government and to practice autocracy in industry.”

In the 1920s and 30s, seminal research like the Hawthorne experiments suggested that a more humane and participatory workplace would be more productive and gave rise to the idea that management should focus on the needs of and relationships between individual workers. Soon after, president Franklin Roosevelt signed the National Labor Relations Act, which enshrined collective bargaining rights into law and established the National Labor Relations Board (NLRB), a government agency to enforce the act. After an unprecedented wave of strikes in 1945-6, Congress overrode a presidential veto to pass provisions that modified the NLRA to restrict union behavior (known as the Taft-Hartley Act)—and federal labor law has remained relatively unchanged ever since.

Public policy alone was not responsible for establishing the norms of the modern American workplace. A grand bargain between business and labor—namely, General Motors and the United Auto Workers—cemented the standards of work in the postwar period that largely continue to govern the relationship between employers and employees today. Known as the “Treaty of Detroit,” the agreement achieved relative labor peace and stability by introducing employer-sponsored health insurance and pensions. This model spread, and similar terms—in which labor gave up some of its voice in management decision-making and right to bargain about certain issues in exchange for things like health and retirement benefits, cost of living adjustments, paid vacations, and holiday time off—were taken up across industries in the postwar period.

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JOHN D. ROCKEFELLER JR.,
1919

A more recent wave of “high-road work has been going on for at least 30 years,” notes [Pamela Egan](#), director of the Labor-Management Partnerships Program at the University of California Berkeley Labor Center. She points to ongoing investments in public-private workforce training partnerships that bring together employers, unions, and government as an example of the ebb and flow of interest in high-road practices. “It comes and goes in the public workforce development system depending on who's in power, what that interest is, and what we have the political will to support and fund,” she explains. Now, after years of declining unionization and employee voice, [appetite is again building](#) for greater worker empowerment.

From worker voice to shared power

Prioritizing worker empowerment requires employers to engage on three levels: voice, representation, and bargaining, says [Wilma Liebman](#), former chair of the National Labor Relations Board (NLRB) and former president of the Labor and Employment Relations Association.

The most basic building block toward worker empowerment is **worker voice**, or a mechanism for employees to express everything from new ideas to concerns—a tool to help organizations harness new insights and proactively head off risks. In recent years, [Thomas Kochan](#), a professor at the MIT Sloan School of Management and a faculty member at the university's [Institute for Work and Employment Research](#), has documented a widening [voice gap](#) in American workplaces, which he describes as “the difference between what workers say they ought to have and what they experience on the job.” His team found that larger voice gaps were associated with lower perceptions of wellbeing, higher burnout, and greater intentions to leave the organization. By closing gaps in their own workplaces, leaders improve their own people outcomes while creating opportunities to address pent up pressures that may otherwise lead to turnover, overworked managers, damaged employer reputation, strikes, boycotts, and more.

To fully close the voice gap, employers must not only listen effectively to what workers say they want but find ways to more closely align the parties' interests and co-create solutions to implement desired changes. Common standalone “worker voice” mechanisms (see chart below) fall short of these qualities, and lack the transparency and accountability of more formal structures. Thus, this guide will focus on the latter two levels of empowerment—representation and bargaining—which build on the benefits of strong worker voice and afford workers a more meaningful seat at the table in company decision-making. When employers manage them well, **worker representation** mechanisms—including participation on corporate boards, shared ownership with a strong ownership culture, and even some forms of internal employee committees and affinity groups—can help open up communication, increase transparency, and build relationships between management and workers.

Opportunities for deeper levels of mutual trust and benefit arise when workers and their representatives are able to negotiate directly on shared areas of concern. In the US, this sort of formal negotiation happens through **collective bargaining**, which is based on the notion that workers trying to bargain on their own have little or inconsistent power, but can achieve meaningful leverage through collective action, Liebman explains.

When workers have access to and choose to be represented by a union, they offer the potential for another level of partnership—one that's more structured, distributes responsibility more equally, and can hold more institutional memory than other empowerment mechanisms. In fact, a union can be an ideal partner for long-running collaborations on workplace conditions and other mission-critical projects.

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The uptick in organizing activity may mark another inflection point, and how businesses respond will play a crucial role in shaping the future of the workplace for decades to come.”

A union contract provides certainty and predictability for employers and workers alike. It covers fundamental working conditions that other representation mechanisms are not designed to address, and its outcomes carry enforceability of and protections under the law. Under American labor law, only democratically chosen unions are legally allowed to negotiate on behalf of workers on wages, benefits, and other terms of employment.

Such negotiation isn’t always smooth; the history of labor organizing in this country contains many episodes of aggressive, even violent, conflict. But that history, which is the source of many of the protections and benefits that American employees have come to expect, is also marked by inflection points of epic compromise and long periods of labor peace. Organized labor has historically delivered results that benefit both workers and companies over the long term, from protections like the minimum wage and overtime laws to increases in worker satisfaction and productivity. The uptick in public sentiment and organizing activity today—the approval rate of unions among the public, which has reached an all-time high of 71% in recent years, was 67% in 2023, and nearly two-thirds of Americans believe that unions benefit the economy as a whole, according to Gallup—may mark another inflection point. And the way businesses respond will play a crucial role in shaping the tenor of the relationship with labor and the future of the workplace for decades to come.

Three levels of worker empowerment

Worker voice	Workers are able to express their concerns in the workplace in official company forums. Examples of basic worker voice range from employee town halls and HR hotlines to employee feedback surveys, a culture of upwards feedback, and employee focus groups. For more on creating platforms for employee feedback, read Aspen Business and Society Program’s <u>report</u> on closing the executive-worker voice gap and Charter’s coverage on designing better <u>engagement surveys</u>, the relationship between <u>worker voice and trust</u>, and two kinds of worker feedback: <u>organizational and employee voice</u>.	Best-case scenario benefits to organizations: • Researchers have shown a <u>correlation</u> between increased worker voice and lower turnover, increased worker safety, and increased productivity. • Worker voice is at the center of employee mental health and wellbeing, as outlined in the US Surgeon General’s 2022 <u>framework</u> on the topic. It contributes to the foundations for workplace wellbeing, including protection from harm, connection and community, work-life harmony, mattering at work, and opportunity for growth.
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Worker representation	Can take many forms, including: • Board seat designated for an employee, elected or otherwise selected to represent the employee perspective. • Empowered, non-bargaining committees, such as employee resource groups or other voluntary, independent employee groups • Economic stake in the business (beyond profit-sharing and cash incentives), including employee stock ownership programs (ESOPs), cooperatives, and employee ownership trusts (EOTs), combined with a culture of ownership that allows employees to weigh in on important issues.	Best-case scenario benefits to organizations: • Employee representatives on corporate boards can increase transparency and communication across the organization. • Board representation has been associated with productivity gains. • Public employee-owned companies are more resilient during economic downturns than their peers and experience improved performance overall. • Prospective and current employees positively view both employee representatives on corporate boards and employee ownership, boosting recruitment and retention.
Worker bargaining power	Workers choose to collectively negotiate with management to address their concerns, usually through legally recognized bodies (unions) and enforceable contracts. Instead of investing company resources in avoiding and defeating unions, this playbook addresses methods and practices that will help build trusting, respectful, mutually beneficial relationships with unions who come to the table as willing partners. This starts when workers first begin organizing and continues through contract negotiation and ongoing partnership for healthy workplaces . Specific practices include: • Proactively establish consistent standards to guide future responses to labor organizing (labor principles) • Agree not to interfere with organizing and mutual nondisparagement with the union (neutrality agreements) • Opt to formally recognize unions with majority support rather than forcing an NLRB election (voluntary recognition) • Form and maintain labor-management committees • Engage in collaborative bargaining styles when negotiating union contracts • Cultivate shared areas of interest and collaborate on joint initiatives	Best-case scenario benefits to organizations: • Unionized workplaces are associated with higher job satisfaction and wellbeing among workers, both key ingredients for attracting and retaining top talent. • In some industries, such as education and construction, unions have been found to increase productivity. Although specific effects on productivity vary by industry, researchers do not find negative effects of unionization on productivity overall. • Unions have been shown to decrease workplace racial and gender inequality, both in wage disparities and workplace discrimination, a goal aligned with many organizations' official diversity, equity, and inclusion policies. • With a majority of Americans reporting favorable views of unions, there are also reputational benefits to collaborative relationships with organized labor, both with the general public and among employees. • Collaborative relationships with unions may help solve key business challenges (around technology, training, benefits, public policy, etc.) and avoid strife that would damage productivity, employer reputation, and employee sentiment.

The following chapters loosely follow the structure of the chart above: Chapter 1 covers employer-initiated worker representation via shared governance, decision-making, and ownership. Chapter 2 covers responses to new, worker-initiated organizing up to the ratification of a first contract, and Chapter 3 lays out what it takes to maintain a constructive ongoing working relationship with a union. Many of the recommendations and interventions are complementary; none are mutually exclusive, nor should be used to avoid the implementation of another. Each section includes case studies from companies and worker organizations, special considerations gleaned from expert advice, and spotlights on particularly timely or salient issues. Our reporting includes a thorough review of existing literature as well as original interviews with over a dozen experts from labor, industry, and academia.

[Note: Throughout this guide, we refer both to “workers” and to “employees.” While organizations may choose to include independent contractors in some forms of ownership or representation programs, only hourly and salaried (W-2) employees have access to union representation under US labor law.]

As you make your way through this guide, we encourage you to keep in mind two questions we’ll explore more thoroughly in the conclusion: One, what does worker empowerment currently look like at your organization? And two, what are the opportunities to make your organization more democratic and responsive? Or, put slightly differently: What are the areas of friction within your business, or problems you struggle to solve, where you could benefit from partnering with a body that actually represents your workers?

SPOTLIGHT :**DEI and worker empowerment**

In 2020, amid widespread protests focused on racial justice and the uncertainty of the Covid pandemic, many companies newly committed to efforts to increase diversity, equity, and inclusion (DEI) across their organizations. Largely absent from that wave of investment, however, were broader worker empowerment mechanisms, which research shows increase racial and gender equity in the workplace and narrow pay and wealth gaps. Today—amid a cooling labor market, an increasingly hostile legal environment, and executives’ decisions to make cuts to DEI initiatives—leaders who find themselves looking for new ways to reframe, reevaluate, or make the case for DEI may find that worker empowerment offers one way forward.

For example, employee ownership can be a pathway for organizations to improve the financial and overall wellbeing of their marginalized workers. In a widely cited survey of workers aged 28-34 from the National Center for Employee Ownership, among low-income workers, net worth for employee owners was 17% higher than their non-owner peers, and median income was 22% higher; for workers of color, those numbers were 79% and 30%, respectively. A 2019 study from Joseph Blasi, executive director of Rutgers University’s Institute for the Study of Employee Ownership and Profit Sharing, and colleagues found that while not all forms of shared ownership result in such improved outcomes, employee stock ownership plans, in particular, “significantly narrow” the racial wealth gap. (Read more about ESOPs in Chapter 1.) Through interviews with roughly 200 employees at ESOP firms over a three-year period, the researchers found a stark wealth discrepancy between workers at those firms and their peers elsewhere. The median ESOP account value of Black women in the study, for example, was \$32,000, compared to the \$200 median net worth of single Black women in the US overall. Multiple interviewees also said their ESOPs had enabled them to avoid debt by funding home purchases, higher education, or health care.

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While unions have their own fraught history when it comes to equity and diversity, the current moment of resurgent labor organizing is also forcing unions to reckon with and address their own shortcomings. Today, workers of color are increasingly turning towards unions to achieve a more fair and equitable workplace. According to a [January report](#) from the Economic Policy Institute, new unionization among workers of color accounted for the entire increase in the number of union members in 2023, and Black workers had the highest unionization of any racial or ethnic group, at 13.1%.

In turn, unions have brought employees' DEI concerns to the bargaining table. One recent example is the 2020 [contract](#) between the health care workers' union SEIU 1199NW and the Seattle-based Swedish Hospital, which included provisions to hire an equity and inclusion leader and to create an organizational equity and inclusion joint labor management committee, both with the goal of improving existing hospital policies and promoting education and dialogue around DEI concerns.

For many workers, particularly from underrepresented communities, formal worker representation and bargaining power can bring new opportunities to express concerns and hopes about belonging, safety, and wellbeing. For employers, the formal structure of bargaining relationships and the democratic nature of many unions may enable them to more accurately gauge worker concerns—and follow through with promises that workers can trust by making them in the form of legal agreements.

While DEI-related issues have not traditionally been considered mandatory subjects of bargaining, increasingly workers consider them critically relevant to topics like wages, benefits, promotions, and working conditions. [Christy Yoshitomi](#), a commissioner for the [Federal Mediation and Conciliation Service \(FMCS\)](#), notes that some new contracts (especially those in the nonprofit sector, like Swedish Hospital) can offer case studies in how to include DEI and other equity concerns into collective bargaining agreements. “They're willing to talk about these items—DEI issues, sexual harassment, creating a safe work environment, the four-day workweek, looking at

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Today, workers of color are increasingly turning towards unions to achieve a more fair and equitable workplace.”

work-life balance,” she says. Even outside of formal bargaining on DEI issues, unions have been shown to increase racial and gender equity in the workplace by reducing discrimination and closing gender and racial pay gaps.

Leaders may find that taking worker empowerment more seriously can provide opportunities for innovation in companies' approach to DEI, especially in an unpredictable environment of shifting policies and stakeholder expectations.

01

Shared governance and ownership: Strategies to align employer and employee interests



GLOSSARY

Codetermination: A system of joint governance between a company and its workers. Board-level codetermination refers to the practice of having one or more employee representatives sit on an organization's board of directors.

Employee ownership: An umbrella term covering any of the corporate structures in which workers have a financial stake in the success of the business. Ownership can take many different forms for workers, ranging from bonuses based on company performance to owning a full or partial stake in the company that employs them. Several of the most common forms of employee ownership are explained in this chapter.

Employee ownership trust (EOT): A type of perpetual purpose trust (PPT), a model in which a mission, rather than an individual, is the beneficiary. In an EOT, the employer sets up a trust with workers as beneficiaries. The trust holds the workers' shares in the company and disburses the profits. (EOTs are common in the United Kingdom but recently beginning to gain traction in the US.)

Employee resource group (ERG): An employee-led group, whose members are united by a shared affinity or interest, that acts as a source of support, connection, and education.

This chapter explores mechanisms management can initiate to meaningfully increase workers' decision-making power and go a long way toward closing the voice gap. Primarily, that means channeling employees' voice directly into board-level governance, and elevating them to owners of the company. We also examine how traditional worker voice mechanisms like surveys and employee resource groups can be deployed as tools for empowerment.

Employee board representation

Many countries afford workers some form of right to vote for representation on corporate boards, sometimes referred to as “codetermination.” While the US has never been one of them, the idea has enjoyed periods of popularity. For example, in 1980 Chrysler stockholders elected the then-president of the United Auto Workers union to the company's board, and several other companies followed suit. More recently, policies that would make employee board representation the norm in American companies have been championed by both sides of the American political spectrum.

Historically, board representation has never been considered a standalone tool to enable worker power. Rather, it is intended to supplement and complement other forms of power and representation. But it does come with its own benefits. At baseline, there is no evidence that codetermination harms an organization—but it does increase transparency and communication between leaders and their workers, giving employees a voice and employers valuable data points on key decisions. And at its best, formalized worker representation in corporate governance can actively benefit employers' bottom lines as well.

Key findings from research on codetermination:

- A 2020 working paper in the National Bureau of Economic Research found that wages tend to be higher and more stable in companies with employee board representation, (though the authors resisted drawing a direct causal relationship).
- A 2021 study of German firms, which compared companies before and after a 1994 reform around codetermination, found that while worker representation on boards had little to no effect on wages, it was correlated with higher productivity, with a 2-8% increase per worker.

GLOSSARY (CONT.)

Employee stock ownership program (ESOP): A form of retirement account in which workers own part of the company through stock shares that vest over time. To create an ESOP, an organization typically establishes a trust to buy the shares. Workers then receive their shares from the trust, often based on factors like tenure and overall compensation. (Employees do not pay for the shares they receive.) ESOPs are the most common form of employee ownership in the US.

Equity compensation: Forms include, but are not limited to, employee stock options (ESOs), in which workers are given the chance to buy a pre-set number of shares at a predetermined price; and employee stock purchase plans (ESPPs), in which employees can purchase company stock at a discount through payroll deductions. Read more about forms of equity compensation [here](#).

Labor organization: An entity defined by the National Labor Relations Act (NLRA) as any organization “in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances...or conditions of work.” Under the NLRA, employers are prohibited from “dominat[ing] or interfer[ing] with the formation or administration of any labor organization or contribut[ing] financial or other support to it.”

- In an Economic Policy Institute [analysis](#) published in 2022, researchers noted that board-level codetermination “may slightly increase job security and subjective job satisfaction”—a conclusion supported by a 2019 [survey](#) from Kochan and colleagues that identified board membership as a desired form of representation among workers.

So what could board-level codetermination look like in the US? The software company Honeycomb, which has had an employee representative on its board [since 2021](#), offers one instructive blueprint.

CASE STUDY :

Honeycomb’s employee board representative

Honeycomb, an eight-year-old venture capital-backed company, decided to experiment with adding a non-founder employee representative to its board of directors as a way to build trust, increase transparency, and ensure that leadership was fairly representing the interests of employees. “I do believe that the company belongs, in part, to the people who show up every day and create the company with their presence,” says [Charity Majors](#), cofounder and chief technology officer. While having an employee board member was framed as an experiment—the board initially greenlit a one-year trial—the arrangement was successful enough that it was subsequently approved for a longer term.

Among the benefits the company saw:

- **Improved retention.** “We have a voice at the table and we’re in the room where it happens, and that is really attractive to people,” employee board member [Alyson van Hardenberg](#) said during a 2023 Aspen Institute event, [Reimagining the Business-Labor Playbook for the 21st Century](#), noting, “A lot of my peers have said they stay at Honeycomb because they can’t find that kind of culture elsewhere in tech.”
- **A recruitment boost.** The employee board member has been a draw for attracting job candidates, Majors notes. “So many of the people who come to us mention it,” she says. “Sometimes they bring it up unprovoked as something that made them want to come work with us.” Similarly, van

GLOSSARY (CONT.)

Voice gap: The gulf between the level of decision-making power workers want to have and the level they have in reality, as defined in a 2019 [paper](#) by Kochan and his colleagues.

Worker-owned cooperative: A company owned and democratically managed by its employees, typically through a one worker/one vote system.

Works council: A group composed of employee-elected representatives that management must consult on workplace issues such as compensation, schedules, and terminations. Works councils are common, or even required, in several European countries.

Hardenberg noted at the Aspen event that when she runs hiring panels for her team, “we often talk about the employee board member role, how it’s already in place and employees have that path to the executives. And people react really, really well to it.”

- **Increased employee engagement.** One leadership lesson that the experiment has reinforced for her thus far, Majors says: “The way that you get actual loyalty and passion and commitment from people is by treating them like stakeholders, not like mercenaries.”

How to set employee representatives up for success

No matter how the representative is selected—by direct election, nomination by committee, or otherwise—once appointed to the board they they take on fiduciary responsibilities required by law.

Management can head off concerns about the risk of including an employee with no prior board experience by clearly articulating the demands of the role to interested candidates.

- An employee representative “has to speak truth to power on both sides,” the workers and the board, Kochan said in a 2022 [interview](#). Doing so, he noted, requires them to balance transparency with workers and an ability to “communicate appropriately with respect for confidentiality.”
- At Honeycomb, Majors says, a few key traits are an indicator of how an employee board representative will fare, regardless of their experience: “Somebody who thinks about work through the lens of making the business succeed, what’s good for the business, not just what’s best for engineering or what’s best for marketing. Somebody who has a good strategic mind, and somebody who has really good judgment above all else.”

Timing also matters. At the Aspen panel, van Hardenberg argued that Honeycomb launching its experiment during a period of relative

stability for the company paved the way for success. “It was really important for us to establish this norm in times that were good,” she said, “so that when times are bad, it's already there. That trust is built. Those patterns—of attending board meetings, sharing back to employees at our all-hands meetings—are already there, and there's that trust between our executive staff and our board members and our employees.”

Clear and realistic expectations are crucial, too. An employee board member won't necessarily sway the decisions made in the boardroom. But with the right preparation and structures in place, an employee representative can be effective both as a symbol and as an actor.

Here are some of the roles an employee representative can and should assume:

Eyes and ears. An employee board representative can be the board's window into employee sentiment and other categories of information it wouldn't otherwise be able to access. At Honeycomb, for example, board members have turned to the employee representative to help them better understand the state of worker morale. “It has to be that you bring power and influence to a board of directors by bringing information that others don't have, and then communicating that information in a way that others will hear it, accept it, and maybe begin to support it and ask for more of that kind of information,” Kochan told Charter.

Sounding board. In a similar vein, an employee representative can provide a gut check on how certain decisions will play out internally or advise on how to fine-tune communications. Majors recalls a point when the board was discussing how to dismiss senior executives. “People are going to be anxious and nervous,” she says. “Being able to run our process, our messaging, and everything by [the employee representative]....really helped us communicate it much better internally. She was able to tell us how it was going to sound, how it was going to feel.”

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It was really important for us to establish this norm in times that were good so that when times are bad, it's already there. That trust is built.”

ALYSON VAN HARDENBERG
Honeycomb employee
board member

Educational resource. At Honeycomb, the employee board representative is charged with giving the workforce a readout after each board meeting, a task that often involves reviewing company plans and priorities. “They almost have to start from scratch educating the entire company every time about what it is we’re doing, why we’re doing it, because people don’t pay a lot of attention or there’s new people,” Majors says. The goal is “to distribute awareness a little bit more... for everyone in the company to be thinking a little bit more strategically, a little bit more big picture, a little bit more about the various stakeholders that we all answer to.”

To ensure an employee joining your board is set up for success in each of those roles, take the following preparatory steps:

- ☒ **Design a thorough training and onboarding process.** Educate any workers interested in holding the position on how boards work, the responsibilities of board directors, and the qualities and interpersonal abilities the role requires. Before your representative’s term begins, focus more dedicated learning sessions on the culture of your board, how decisions are made, and any other specific information that would help them.
- ☒ **Create a support network.** Give the employee representative dedicated channels to hear from their colleagues and disseminate relevant information. Honeycomb, for example, created a committee of “board ambassadors,” with representatives from all different functions within the company elected by their peers (a practice that arose from feedback given by the first board representatives on how to improve the experiment). Members of the committee collect questions and concerns from their respective functions to share with the representative before board meetings.
- ☒ **Invest in a participatory culture.** One worker on the board is not an invitation for a company to rest on its laurels, Kochan noted. “It’s absolutely essential that the company then commit to changing practices or implementing practices that build a culture of participation from the workforce,” he said. “Then employees have not only a sense of ownership, but it’s

reinforced that their ideas are asked for on, how do we improve?” In unionized workplaces, that could look like “shar[ing] information in bargaining about where the company is going and what the issues are and how to bring employee concerns into the bargaining process. Then that information has to filter up to the board discussions through the designated worker representative.” At Honeycomb, van Hardenberg is regularly invited to team meetings outside her function, Majors says, “to create some of that connective social tissue” that encourages workers to relay concerns to the board.

FURTHER READING:

A recent [white paper](#) from the Aspen Institute’s Business and Society Program offers additional ideas for how companies can elevate worker voice to the boardroom. These strategies include: establishing a board committee focused on employee issues at all levels; creating channels for the board to receive consistent qualitative and quantitative updates on worker sentiment; and emphasizing the ability to listen to employees as a critical skill for board members and senior leaders.

CONSIDERATION:

Worker empowerment in survey design

A participatory culture sustains itself on employers’ ability to understand what workers truly want and need. As the Aspen [white paper](#) notes, employee surveys often fall short in this regard. “They are generally designed to provide a snapshot of employee satisfaction rather than strategic or operational insight. The data may not be interpreted and presented in a timely manner.... And employees who complete these surveys may not feel safe to provide honest answers, nor represent the whole workforce.”

One way to mitigate these risks is to involve workers themselves as active partners—not only by asking them to share their thoughts, but by bringing them in to help design the questions.

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A participatory culture sustains itself on employers’ ability to understand what workers truly want and need. Surveys often fall short in this regard.”

“Get a group of employees who are a good cross-section of the workforce, and ask them to help you design a survey that gets at their real concerns,” Kochan says. “Collect those data, then sit down jointly and discuss what to do and how.... Make some changes if necessary, and track that over time and provide evidence that you're making those changes.” Use the survey from Kochan’s worker voice paper, [found here](#), as a starting point to customize with worker input.

As we’ll cover below, soliciting worker feedback will be most fruitful when workers also feel a strong financial and emotional stake in their organization—a goal that can be accomplished through shared ownership.

SPOTLIGHT :

Worker empowerment through ERGs

One form of collective worker voice has become ubiquitous in mid-sized and large American companies: the **employee resource group (ERG)**. The country’s first ERG, Xerox’s National Black Employee Caucus, began in 1970 as a way for the Black workers to represent their interests to the company. Today, some 90% of Fortune 500 companies have ERGs. In their modern form, these groups are a tool for workers, especially those from underrepresented groups, to find community and support, share resources, and advance diversity, equity, and inclusion goals. But their role as a vehicle for worker empowerment is limited by US labor law.

Unlike European-style **works councils**, ERGs play no official role in corporate governance, and unlike labor-management committees (see Chapter 3), they exist independently of unions. In fact, because companies by default contribute “financial or other support” to their employee resource groups—if not in literal funding, then in use of company resources—an ERG may not possess the autonomy or authority to “deal with” management concerning conditions of employment. The 1935 National Labor Relations Act, responding to a rise in

management-controlled “company unions,” prohibited employers from “dominat[ing] or interfer[ing] with the formation or administration of any labor organization or contribut[ing] financial or other support to it.”

Thus, employers must enable an ERG to play a role for workers without it becoming a “labor organization.” To safely stay on the right side of the NLRA, an ERG should meet two criteria. One: “It would have to be independent and selected by the employees themselves,” says [Mark Pearce](#), executive director of the Workers’ Rights Institute at Georgetown University Law Center and former NLRB chairman under president Barack Obama. And two: “It would not engage in any kind of bargaining for terms and conditions of employment,” such as wages and working hours, that union bargaining would cover. Instead of formally exchanging issues and proposals with the goal of reaching a binding result, ERGs can be a vehicle for discussion and information-sharing around company concerns to inform decision-making—and a supplement to bargaining.

Takeaways for employers:

- If your company has ERGs, balance limits on their bargaining power with mechanisms that ensure their members are nevertheless heard and their needs acted upon. Ensure your leadership doesn’t follow the all-too-common practice of pointing to the presence of ERGs as a way of undermining workers’ attempts to organize.
- If your organization does not yet have ERGs in place, consider their limitations as vehicles for worker empowerment and think of them as one part of a larger picture, rather than a standalone solution.

FURTHER READING:

Charter’s 2021 [guide](#) to setting up ERGs includes specific advice on internal practices that make ERGs more effective, as well as a case study on The New York Times’ women’s ERG and its efforts to advance paid parental leave policies, even without official bargaining power.

Employee ownership

Financial ownership and emotional investment tend to go hand in hand—or, in the words of economist Lawrence Summers, “In the history of the world, no one has ever washed a rented car.”

When the car, so to speak, is the company, research certainly bears this out. As Blasi and Douglas Kruse, associate director of Rutgers’ Institute for the Study of Employee Ownership and Profit Sharing, noted in an Aspen research brief published last year, “employee-owned firms are known for having workplaces and organizational cultures that foster high levels of employee engagement,” as well as greater levels of cooperation and lower turnover.

Just under one-fifth of US workers currently possess some form of economic stake in their employer, according to Blasi and Kruse’s research brief, including more than 10 million who have an ownership stake through ESOPs and between 13,000 and 60,000 who are part of EOTs.

Multiple studies have demonstrated that financial structures like ESOPs and PPTs, when combined with a culture of ownership, can lead to improved organizational health, along with financial and other benefits for the employees themselves. More specifically, research has found that the benefits of employee ownership—driven by increased worker engagement, loyalty, and motivation—include:

For organizations:

- **Reduced turnover:** One National Center for Employee Ownership survey of ESOP companies across multiple industries found that their voluntary quit rates were less than half than of their non-employee owned peers.
- **Greater resilience:** Public employee-owned companies are likelier than their peers to successfully weather recessions and less likely to go bankrupt at any point.

“

In the history of the world, no one has ever washed a rented car.”

LAWRENCE SUMMERS
Economist

- **Improved performance:** A meta-analysis spanning nearly 57,000 companies found a “small but positive” relationship between employee ownership and overall company efficiency and growth.
- **A boost for recruiting:** Across political affiliations, roughly three-quarters of workers say they’d prefer to work for an employee-owned company over one owned by investors or the state.

For workers:

- **Greater stability during crises:** Organizations that were majority-owned by employees through ESOPs fared better during the tumultuous early months of the Covid pandemic, with 25% of the job loss rate of other companies. They were also less than half as likely to cut worker pay (though those cuts, when they did occur, tended to be deeper) and more likely to retain workers’ hours.
- **Better benefits:** Employee owners are more likely than other workers to have access to paid parental leave, retirement plans, tuition reimbursement, and dental insurance, among other benefits, as well as higher retirement savings.
- **A reduction in wealth inequality:** Rutgers research has shown that employee ownership can “significantly narrow” the racial wealth gap for workers of color, who tend to have higher household net worth than their peers when they have an ownership stake in their company.

Because employee ownership can be a vehicle for reducing race- and gender-based wealth and income gaps, it’s also a way for employers to commit to their DEI principles over the long term. As Todd Leverette, co-principal of Apis & Heritage Capital Partners, a private equity fund that helps companies transition to employee ownership, explained in a 2020 interview: “Employee ownership has significant social impact, particularly for Black and brown workers,” giving those employees “the ability to both build wealth and improve the quality of their jobs.” (For more context, check out the report Race and Gender Wealth Equity and the Role of Employee Share Ownership, a joint project from the Aspen Institute, Rutgers’ Institute for the Study of Employee Ownership, and the Democracy at Work Institute.)

Forms of employee ownership

	Advantages for employers	Considerations for employers	Examples
Employee stock ownership program (ESOP)	Requires little internal restructuring to establish compared to more hands-on ownership structures. Gradual vesting schedules incentivize longer tenure among employees, often leading to lower turnover.	Can be costly to set up and maintain. Ensuring regulatory compliance can be resource-intensive. Advantages are fully realized only when a culture of ownership is in place.	Publix, Abt Associates, Gensler (see others here).
Employee ownership trust (EOT) and perpetual purpose trust (PPT)	Relatively straightforward to establish and maintain.	Flexibility, lack of regulation, and relative rarity in the US mean employers have less of a blueprint to follow.	Metis Construction (a Washington-based company that established an EOT in 2016). Patagonia, while not an EOT, is one of the most well-known examples of a PPT in the US, with a trust focused on environmental issues.
Worker-owned cooperative	Keeps the company more connected to its surrounding community through job retention. Can upskill employees by giving them de facto management responsibility.	Lenders are often wary of structures without clear leadership, making financing more difficult.	Smith Mountain Company (a Massachusetts architecture and engineering firm that restructured as a worker-owned coop in 1987). Note: Perhaps one of the most well-known coop examples, is consumer-owned rather than worker-owned.
Employee stock options (ESO) and employee stock purchase plan (ESPP)	Helps with recruitment and retention by increasing the attractiveness of compensation packages.	Research has found that employee participation in ESPPs tends to be fairly low—in one 2018 global Deloitte survey, more than two-thirds of respondents said the participation rate among eligible workers at their organization was less than 50%.	ESPPs are abundant in the US; just under half of S&P 500 companies offered them in 2020.

How to build a culture of ownership

The only way management can successfully reap the benefits of shared ownership is to inextricably tie the financial structure of the company to the norms and practices that govern day-to-day work. Otherwise, at best employee ownership will function as “just another cool retirement plan,” as Apis & Heritage Capital Partners’ Leverette put it at a 2022 [panel](#) hosted by the Aspen Institute’s Economic Opportunities Program. It also mitigates the “free-rider problem”—the idea that ownership will disincentivize some employees from putting in effort, since they’ll still reap the benefits of their colleagues’ work.

Here are principles to prioritize to help foster an owner’s mindset in every employee:

- **Transparency:** Provide frequent in-depth updates about the company’s financial performance, explaining how workers’ efforts affect the bottom line. At the 2022 Aspen panel, Leverette also emphasized the importance of transparency around corporate values and the downstream effects of different decisions. For example, if your company aims to benefit the surrounding community and the environment, “you’re more likely to get better community outcomes when the owners of the business ultimately are also the folks who work there,” he said. “There’s no guarantee that worker owners will always do the right thing, but you try to help guide them in that process.”
- **Education:** Transparency is only helpful if workers can make sense of the information being shared. Give them the vocabulary and the knowledge to thoroughly understand financial information and the inner workings of the company.
- **Evaluation:** The most straightforward way to help employees adopt an owners’ mindset is to ask them what would spur them to do so. Administer regular surveys (ideally co-created with employees, as Kochan noted in the previous chapter) to check in on how workers feel about their ownership status, where they feel left in the dark, and what company leadership could do to help them feel more empowered or knowledgeable.

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You're more likely to get better community outcomes when the owners of the business ultimately are also the folks who work there.”

TODD LEVERETTE
Co-principal of Apis &
Heritage Capital
Partners

- **Financial power:** While employees in worker cooperatives will have more direct say over how funds are allocated, companies with other ownership structures can still find ways to give workers autonomy over some spending. One example is the private-equity firm KKR, which, after buying a garage-door manufacturing company in 2015, began earmarking \$1 million annually for employees to spend on capital improvements that they decided.

FURTHER READING:

Employers who want to learn more about shared ownership can find resources through the Institute for the Study of Employee Ownership and Profit Sharing, the National Center for Employee Ownership, the Aspen Institute's Economic Opportunities Program, and Ownership Works.

SPOTLIGHT:

Exit to Community

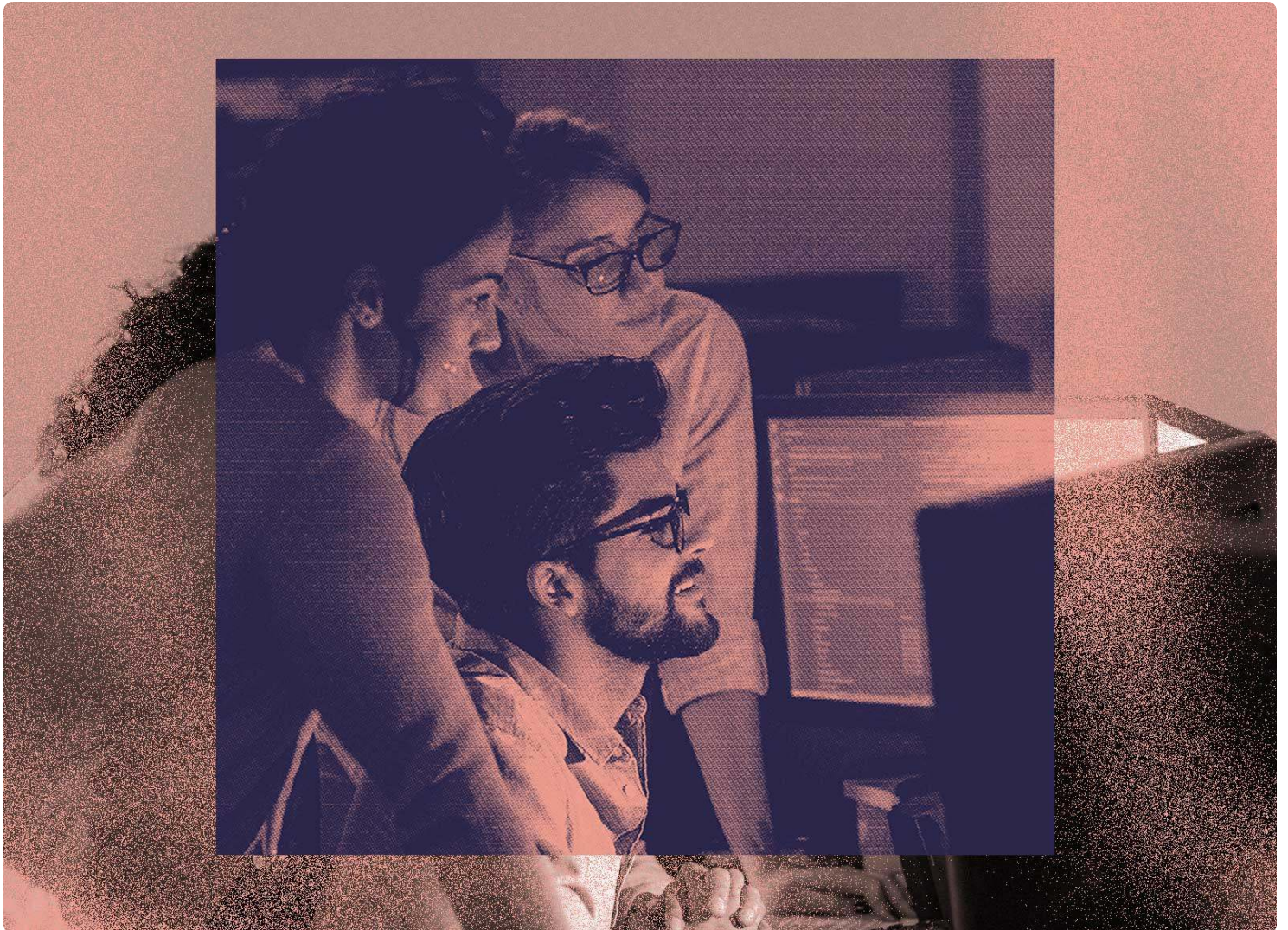
In recent years, the Exit to Community movement—which offers startups another exit option beyond acquisition and IPO—has gained steam. The movement, whose prominent voices include the University of Colorado's Media Economies Design Lab and the worker cooperative network Zebras Unite, pairs employee ownership with a governance structure that allows for employee and broader stakeholder community input. “It’s not a model, it’s not an incorporation structure or anything like that,” says University of Colorado media studies professor Nathan Schneider, a leader of the Exit to Community movement and board member at the cooperative advisory Start.coop. “It’s an invitation into a broader question: How can we build things for communities, not for profiteering?”

As an example, Schneider points to the biotechnology company Ginkgo Bioworks, which went public in 2021 and is partially employee-owned. “As [the company] was approaching its IPO... they set up a lot of internal culture around employees being guardians of the moral mission of the company,” he says. “They still needed the capital access of an IPO, but they did it in a way that gave really unusual powers to the employees.” In its most recent sustainability report, which covered Ginkgo’s efforts to “foster a culture of employee ownership,” the company highlighted its Caring Committee, a body with elected employee representatives that assesses the benefits, risks, and unintended consequences of Ginkgo initiatives.

While shared ownership and shared decision-making have clear benefits, one way to have enforceable, consistent accountability to the needs of employees, as the following chapters will cover, is to agree on a contract.

02

When workers organize: How to uphold workers' rights and build trust through the unionization process



GLOSSARY

Collective bargaining: The process by which labor and management negotiate a formal contract, or collective bargaining agreement, that describes the terms of employment within the bargaining unit. Different styles of collective bargaining exist, including more traditional, adversarial bargaining, in which two parties make competing proposals. Alternative bargaining styles have emerged to make the bargaining process more cooperative and collaborative and include modified traditional bargaining, critical issues bargaining, and interest-based bargaining, among others.

Collective bargaining agreement (CBA): A legal contract between an employer and the union that represents its workers. It describes the terms and conditions of employment, including compensation, hours, seniority, and disciplinary and grievance procedures. Under US labor law, different types of provisions in CBAs are classified as mandatory, meaning they must be included in bargaining negotiations; permissive, those subjects that both parties may voluntarily discuss; or illegal, provisions that are unenforceable even if included in a CBA, such as a closed-shop clause or other subjects that violate existing employment law.

With a wave of labor activity bringing an increase of union petitions and labor actions, many employers have been caught off guard by new organizing in their workplaces. Proactively developing a labor strategy that centers collaboration doesn't just allow organizations to act more nimbly if their workers do unionize; it also comes with short- and long-term benefits.

In the short term, companies can accrue reputational benefits among employees, potential recruits, and consumers. For example, nearly one-third of Americans are more likely to shop with a brand with a unionized workforce, and 42% say they are less likely to shop with a brand that actively tries to stop workers from organizing, according to a 2022 survey from Harris Poll. In the long term, developing a strong set of labor-management principles allows organizations to set the tone for a transparent, trusting, and productive relationship with a newly organized workforce. (It's also worth a reminder that the right to organize and collectively bargain is enshrined in global human and workers-rights frameworks, including the UN's Universal Declaration of Human Rights, International Labor Organization conventions and the United States-Mexico-Canada Agreement, as well as US law.)

This chapter covers the most important actions to take at different points in the unionization process: before workers start to organize, once workers announce their intention to form a union, when employers are asked to recognize a union, and negotiating the first contract. We largely focus on the processes as governed by the National Labor Relations Board, but note that not all unionization follows the same path.

GLOSSARY (CONT.)

Neutrality agreement: A written, legal contracts in which an employer agrees to refrain from influencing or interfering in workers’ attempts to form a union.

NLRB election: A secret ballot election overseen by the National Labor Relations Board. Both the employer or the labor union can petition the NLRB for an election. Once 30% of a workforce has signed union authorization cards, a union can call for an NLRB election. If the union reaches a threshold of 50%, the employer must petition for an NLRB election or voluntarily recognize the union. In the election itself, if a majority of workers vote for the union, the NLRB then certifies the union as workers’ official bargaining representative, barring any objections or unfair labor practices.

Shop stewards: Also known as a union representative, a worker who is elected by their fellow employees as the official union representative within the workplace. Their responsibilities include educating colleagues on collective bargaining agreements, membership services, and other union development. They also develop relationships with supervisors within the organization and may meet regularly with managers to discuss shared concerns on the level of the workplace.

Unionizing through the NLRB: Standard process and recommended response

STEP 1 Before organizing begins. Employers have an opportunity to proactively set the tone around worker representation and workplace democracy.	STEP 2 Workers start the process of forming a union. They begin collecting union authorization cards from workers. Each authorization card is valid for one year after it is signed. With signed cards from at least 30% of the bargaining unit, workers can petition for an NLRB election, conducted by secret ballot. With at least 50%, workers may bypass the NLRB elections if the employer chooses to voluntarily recognize the union.	STEP 3 Workers ask for recognition. If organizers present authorization cards for a majority of the workforce, employers have the choice to voluntarily recognize the union through a “card check” or petition the NLRB for a secret ballot election. This petition must occur within 14 days, or the employer waives its right to an NLRB election and the NLRB certifies the union. From October 2022 to September 2023 (the NLRB’s fiscal year 2023), unions won 71% of the nearly 1,500 NLRB elections that occurred.	STEP 4 The NLRB certifies the newly formed union. Labor and management begin negotiating their first contract. Once a contract is finalized, it must be ratified by the full union membership through a vote.
Recommendation: Develop an organization-wide set of principles that define labor-management relations, including the company’s official stance on worker organizing, the relationship between the organization’s values and mission and worker rights, and specific practices to shape the relationship with potential worker organizations.	Recommendation: Invest in training. Hire legal representation that shares your goals and values. Avoid labor violations. Listen to what organizing workers are communicating and asking. Formally commit to labor neutrality.	Recommendation: Voluntarily recognize the union.	Recommendation: Invest in shared trainings. Mutually agree upon bargaining procedure. In communications, focus on the “why.” Bring down costs by moving quickly, engaging with outside lawyers minimally, and leveraging resources like template agreements and federal mediators.

GLOSSARY (CONT.)

Union authorization card: A form that workers sign, either on paper or electronically, to confirm their interest in joining a union. These cards also designate the future union, once formed, as the official bargaining representative of the worker.

Voluntary recognition: An alternative to the NLRB election process whereby an employer agrees to recognize a union as its employees' bargaining representative once organizers show majority support for the union through signed union authorization cards. To verify the cards, labor and management may jointly designate a neutral third party to authenticate the union authorization cards through a process called a card check.

Every union aiming to achieve a **collective bargaining agreement** goes through each of these steps, but the timeline is neither linear nor predetermined. For example, a union may fail to get authorization cards for the necessary number of workers in the bargaining unit. Later, workers may restart the process or affiliate with a different union. And some types of labor organizations don't seek NLRB recognition. For example, a "non-majority union" is formed without an NLRB vote or a majority of eligible workers. These unions—also known as "solidarity unions" or "minority unions"—do not engage in collective bargaining, but can use media pressure and other means to achieve their goals. The Alphabet Workers Union is one of the most prominent examples of this model. Another recent example is the newly launched California Fast Food Workers Union, affiliated with SEIU, which collects dues and provides benefits that travel with workers even if they change locations or companies.

As workers move through each of these steps towards unionization, allowing them to make their choice independently builds a foundation of trust between workers and management, argues Jamie Barton, senior vice president of human resources and labor relations at AT&T. Some 42% of employees at AT&T are unionized, giving it the largest union presence of any major American telecommunications company. "If your employees do organize and you haven't been out there waving all of these red flags, you're going to be further down the trust continuum than if you've been battling it for years in some cases," she explains. Publicly, AT&T presents its unions as partners and its unionized workforce as a competitive advantage (read more about the benefits of such collaboration in Chapter 3.)

In contrast, employer campaigns that seek to hamper employees' efforts to organize will erode trust before the formal relationship begins. Tactics may include: requiring employees to attend an anti-union presentation during the workday (known as captive audience meetings), anti-union statements from leaders and managers, retaliation against worker organizers, and delaying the union election process. These actions, collectively known as "union avoidance" or "union-busting" strategies, can invite legal challenges and prolong

labor strife, potentially impacting productivity and eroding employee morale, even across different functional areas of the business. For example, Starbucks saw employee sentiment among desk-based workers fall to historic lows as the company battled worker organizers in stores across the country.

Union-avoidance tactics also come with a high price tag. In 2021, employers spent \$433 million on union-prevention measures, according to a March 2023 analysis of public employer disclosures from the Economic Policy Institute. Larger employers such as Amazon and United Natural Foods, a wholesale and distribution company that supplies grocery chains such as Whole Foods and Safeways, spent \$4.2 and \$2.6 million, respectively. While maintaining a unionized workforce comes with its own expenses, companies rarely consider the costs associated with the erosion of morale, workplace culture and cohesion, turnover, and other consequences of a union avoidance approach. (There's also no guarantee that they will work: In spite of the millions spent on union avoidance, workers at Amazon and United Natural Foods successfully won unions in subsequent years.)

The alternative is to choose some form of labor neutrality. "It just means stepping back and saying, 'This is a decision for you to make between you and the union. We will abide by what your choice is,'" explains Sharon Block, executive director of Harvard Law School's Center for Labor and a Just Economy.

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While maintaining a unionized workforce comes with its own expenses, companies rarely consider the costs associated with the erosion of morale, workplace culture and cohesion, turnover, and other consequences of a union avoidance approach.”

FAQ:

Common employer concerns about leading a unionized workforce

Q: Will union organizing and contract bargaining take time and attention away from more important business priorities?

A: Workers and leadership share many of the same basic priorities, including a fair and safe working environment, excellence in work products and consumer relationships, and the ongoing success and health of the business. When approached from a perspective of shared interest, contract negotiations may actually allow leaders and workers to have productive conversations about the most important issues facing a business in a transparent way.

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Even more, conventional business wisdom has begun to recognize that investments in people are essential to a thriving organization. With a collective bargaining relationship, leaders have an opportunity to make good on these commitments to their employees by providing clarity on policies related to hiring, employee accountability, compensation, benefits, and hours, among other issues.

In the most evolved models of collaborative labor-management relations, a union presence can actually help leaders better address the most pressing concerns for both labor and management. It can provide a forum for leaders and workers to communicate effectively about current work processes and working conditions, discuss shared solutions and complete ongoing, shared projects on issues as diverse as DEI and technology adoption.

Q: Won't the union function as a third party and interfere in my company's ability to maintain a good relationship with employees?

A: While union staff external to the company may be involved in organizing, negotiating contracts, and supporting employees, it's important to remember that the party on the other side of the table is the employers' own workers. **Shop stewards**, labor-management committee representatives, and individual union members are all drawn from the company's ranks, and when unions work to maintain democratic and representative processes, the goals of the union should reflect the will of workers.

MIT's Kochan cautions that companies too often “use that assumption [of unions being outside interference] as an excuse to ignore valid worker concerns.” In a Harvard Business Review [article](#), he explains: “Every organized group of workers has asks. Your first step is to learn what they are...Invite elected leaders to spell out their asks and the underlying problems that give rise to them. Most executives know surprisingly little about what life is like for their workers.” Investing in a relationship with the union,

then, can actually be a useful tool to build a more collaborative relationship with the workforce more broadly.

Q: What if union organizers are combative despite my team's attempts to be collaborative?

A: Just as in any business relationship, sometimes companies find themselves dealing with a counterpart who does not feel like a collaborative, strong, or representative partner. In the case of unions, there's no question that, after decades of encountering intense anti-union resistance, some organizers default to their own aggressive, adversarial tactics—and may find it hard to change their playbook. But such interactions need not define the labor-management relationship going forward. Employers taking the high road (i.e. via a neutrality agreement or voluntary recognition) should expect reciprocal high-road union behavior.

One way to mitigate both stylistic and substantive conflict is to engage with a variety of people in different roles across the table, whether alternative representatives among your own organizing employees or among different parts of the union management structure. In particular, such conflict may signal a need for leadership on both sides to get directly involved. "When things are not working, you just have to take it to the top," advised AFL-CIO president Liz Shuler during an Aspen Business Roundtable on Organized Labor event in 2023. "Once...the union leader at the top, the company leader at the top, the CEO, sit down, have a dinner meeting and say 'How do we recalibrate? What do we want to accomplish together?...' you'd be surprised how that can unlock progress.... When you get those two top leaders to...set the standard and say, 'This is how we're going to do business with each other,' that shows the leadership that filters through." Take the recent example of the recent Hollywood writers' strike: reporting suggests that the brutal 5 month standoff resolved only when studio CEOs finally sat down directly with union leadership.

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After decades of encountering intense anti-union resistance, some organizers default to their own aggressive, adversarial tactics--and may find it hard to change their playbook. But employers taking the high road should expect reciprocal high-road union behavior."

The rest of this guide contains many more recommendations about the structures (e.g. labor-management committees, annual behavior audits, and working with mediators) and practices (e.g. communicating consistently and establishing shared values, norms, and language) that will help maintain trust with your union counterpart—and repair when trust is broken.

Q: Do unions protect underperforming workers and reduce managers' abilities to lead their teams and achieve results?

A: A collective bargaining agreement does not prevent an organization from dismissing workers for poor performance, economic conditions, or other reasons that have a basis in the business. Rather, it only protects workers from biased or arbitrary dismissals without a clear business reason.

In fact, a union contract can be a helpful tool for employers and workers to agree on fair and objective terms of employment involved in hiring, discipline, and dismissal policies. Often, the workers who are at the center of organizing are the ones most committed to building workplaces that are effective, productive, and fair. As long-time labor organizer, strategic adviser, and writer [Vanessa Veselka](#) has put it, "Unions are built by the people who want to make a job work. They're built by the people who care about what they're doing and want to make it better." When Starbucks recently announced it had agreed to bargain with the worker-led union organizing at hundreds of its US locations, a change of course after years of antagonism, Buffalo barista Michelle Eisen told the [American Prospect](#), "This is what we've always wanted. We wanted Starbucks to actually be the company they always said they were."

The alternative, which tasks managers with union-avoidance responsibilities, can erode trust between managers and frontline employees, undermining their ability to effectively lead their teams and misaligning incentives in a way that can compromise organizational transparency, communication, and culture.

With a strong union, workers have access to a different kind of professional development that can identify and cultivate strong leaders: people who have experience collaborating cross-functionally, managing urgent projects, designing creative solutions for workplace problems, and building deep relationships with peers. Even more, the time spent building better workplaces leaves many employees with a deep commitment to the organization's culture and work.

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Unions are built by the people who want to make a job work.”

VANESSA VESELKA
Labor organizer

Q: Won't a union presence increase our legal costs?

A: Negotiating and maintaining a collective bargaining agreement can create new costs for previously non-union workplaces, from ensuring compliance with labor law during the organizing process to working out the final language on a contract. As we discuss in the section on contract negotiations below, however, there are tactics to reduce those costs—for example, using template contract language and relying on free services like those offered by the [Federal Mediation and Conciliation Service](#) (FMCS). Ultimately, moving forward in good faith rather than bogging the process down with lengthy and costly legal battles may be the biggest cost saver of all.

Employers have a choice: They can devote resources to fighting their workers' desire for union representation—a tactic that can harm worker sentiment, decrease productivity, occupy managers' time and focus, drive up costs, and create an environment that pushes workers to leave. Or they can remain neutral and devote resources instead to making the processes as collaborative and fair as possible.

Before organizing begins

Leaders can set the tone for labor-management relations even before workers begin discussing unionization. Start by developing a set of labor-relations principles that will guide any future actions related to worker organizing. For the most successful process, consider the following checklist:

- ☒ Ensure buy-in from top leadership at the organization, then involve more junior leaders and middle managers.
- ☒ Base principles on the organization's unique culture, values, and context.
- ☒ Build cross-functional teams to test and apply principles across areas of the business. At larger organizations, this may look like involving representatives from legal and policy teams, as well as other leaders of relevant business units.
- ☒ Establish clarity around what the principles look like in practice.
- ☒ Create ongoing feedback loops to improve and revise the principles.
- ☒ Commit to educating employees on the principles and hold all managers accountable to following them.

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CASE STUDY:**Microsoft's labor principles**

In 2022, Microsoft released a potentially precedent-setting set of labor principles. While the company had not historically been considered particularly friendly to organized labor, a unionization campaign at videogame company Activision Blizzard, which the tech company had plans to acquire, prompted leadership to consider a new approach.

The Communication Workers of America, which was involved in organizing at Activision and had encountered strong pushback from Activision management, recognized that Microsoft would have to overcome antitrust concerns about the acquisition and approached company leadership with a proposal for a formal neutrality agreement. When Microsoft agreed, the CWA and labor's largest federation of unions, the AFL-CIO, endorsed the acquisition and urged regulators to approve the merger.

The Communication Workers of America, which was involved in organizing at Activision and had encountered strong pushback from Activision management, recognized that Microsoft would have to overcome antitrust concerns about the acquisition and approached company leadership with a proposal for a formal neutrality agreement. When Microsoft agreed, the CWA and labor's largest federation of unions, the AFL-CIO, endorsed the acquisition and urged regulators to approve the merger.

Jody Calemene, currently director of labor and employment policy at The Century Foundation and previously chief of staff of the CWA, worked as CWA general counsel throughout the negotiations for the formal neutrality agreement. The union's initial conversations with Microsoft focused narrowly on a legal agreement covering only Activision workers, to go into effect once the acquisition was finalized, Calemene recalls.

Then, the company went further, with a separate project to define its approach to labor more broadly. Seeing rising public sentiment towards unions and increasing organizing across the country, the organization's leadership started drafting its labor principles based on its commitment to open dialogue and listening, its belief in workers' legal rights to choose a union, the importance of a collaborative relationship between labor and management, and its

positive experiences with unions in other countries. [Amy Pannoni](#), vice president and deputy general counsel at Microsoft, explained at a November 2023 panel hosted by the Department of Labor that the process was rooted in the organization’s values. “It was really founded on two basic principles that are embedded in our culture,” she said. “One is listening to workers... and then transparency.”

“Microsoft has shown that it is staying true to those values and put out additional principles with respect to its own workforce,” Calemine said. The company also took advantage of an opportunity to become a leader on worker voice within tech, an industry with low levels of unionization and, at the time, an active war for talent.

In early 2023, Microsoft followed through on its principles and recognized ZeniMax Workers United, a union that represents workers at a different videogame subsidiary, ZeniMax Studios. Later that year, the company and the AFL-CIO announced a partnership focused on developing and implementing new workplace AI technologies that center worker voice, as well as a formal neutrality agreement between the technology company and any of the AFL-CIO’s affiliate unions (read more about this partnership in Chapter 3).

Developing your labor principles: Microsoft as a template

In a [blog post](#) titled, “Microsoft adopts principles for employee organizing and engagement with labor organizations,” vice chair and president Brad Smith described four principles to guide Microsoft’s approach, along with additional context that informed the creation of the principles and would guide their implementation.

You can find Microsoft’s [full statement](#) from Smith on the company website. Below, we’ve annotated key sections as a template for creating your own set of labor principles.

“Recent unionization campaigns across the country—including in the tech sector—have led us to conclude that inevitably these issues will touch on more businesses, potentially including our own. This has encouraged us to think proactively about the best approach for our employees, shareholders, customers, and other stakeholders.”

The why: Describe why these labor principles are necessary for your specific organization, including any effects on key stakeholders.

“We approach these issues with a deep appreciation of the vital and innovative role our employees play in the development and adoption of new technologies. This depends on a shared company culture that is grounded in a growth mindset focused on listening, learning, and evolving our approaches together, especially on important issues in a rapidly changing world.”

The values: Connect your labor principles back to your organization’s culture, values, and work, as well as the most urgent challenges the organization faces.

“We believe in the importance of listening to our employees’ concerns.”

“We recognize that employees have a legal right to choose whether to form or join a union.”

“We are committed to creative and collaborative approaches with unions when employees wish to exercise their rights and Microsoft is presented with a specific unionization proposal.”

“Building on our global labor experiences, we are dedicated to maintaining a close relationship and shared partnership with all our employees, including those represented by a union.”

The substance: Use clear, concise language to describe a vision for your approach to worker organizing. Under each principle, Smith also included a brief explanation of what the principle might mean in practice. For example, the explanation for the first principle describes existing employee voice programs while recognizing that some employees may wish to form a union, while the explanation for the third point states that a collaborative approach means committing to practices that “make it simpler, rather than more difficult, for our employees to make informed decisions and to exercise their legal right to choose whether to form a union.”

Rather than using legal jargon, like you might in a formal neutrality agreement, use phrases that workers and other stakeholders can easily understand without special training. Before finalizing language, it’s worth forming a sounding board composed of workers, managers, and other stakeholders to identify language that could be confusing or carry unintended connotations.

“We acknowledge that this is a journey, and we will need to continue to learn and change as employee expectations and views change with the world around us. And we recognize that employers and employees will not always agree on all topics—and that is okay.”

The future: Recognize that the principles are just the beginning of a relationship between the organization and any union that may form. As with any relationship, there may be contentious moments, but commit to continued “dialogue, collaboration, and trust,” as Smith writes.

Workers announce their intention to form a union

Once workers start a union campaign, apply your labor principles by signing an official neutrality agreement with the union employees have chosen to represent them. Neutrality agreements are one of the most important tactics to form more collaborative relationships between labor and management, while providing clarity and structure during the labor-organizing process. These agreements, which have been on the rise over the past two decades, allow leaders to have more input in the organizing process and often avoid more disruptive, public fights between corporate and labor leaders. Perhaps most importantly, they signal to employees that the organization respects workers' choice to exercise their right to representation, viewing them as a potential partner rather than an adversary.

Neutrality “is a very broadly defined term,” cautions Andy Stern, president emeritus of Service Employees International Union, with “a multiplicity of operational reality.” For some organizations, it could mean silence on the question of the union. For others, it could mean a prohibition on negative behavior like captive audience meetings. Other neutrality agreements may include provisions on pre-approving materials that go out on both sides. At its core, however, Stern says that neutrality is a policy that allows workers to make a free choice and, ideally, allows unions to focus on making a solutions-oriented case. For these provisions to be effective, it's essential to write language that is specific for both sides.

Although no two neutrality agreements are alike, many share key common features, according to Calemine and Steven Bernstein, co-chair of the labor relations practice at management-side law firm Fisher Phillips.

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Neutrality agreements, which have been on the rise, allow leaders to have more input in the organizing process and often avoid more disruptive, public fights.”

Here are key provisions to look out for, according to Charter's conversations with Calemine and Bernstein:

- **Definitions:** To start, the two parties define the labor unit in question, or the group of workers covered under the agreement, and the length of the organizing campaign.
- **Management behavior:** These provisions define acceptable behavior on the part of management under the neutrality agreement. Leaders agree not to campaign against the union, including in both one-on-one conversations and so-called captive audience meetings.
- **Organized labor behavior:** Under a neutrality agreement, labor also has a responsibility to “to keep the temperature down and limit the amount of conflict,” says Calemene. Through neutrality agreements, organized labor may agree to not disparage management and leadership or conduct strikes or work stoppages throughout the course of the campaign.
- **Property access:** Although less common than the above provisions, some neutrality agreements create specific permissions for labor representatives to access company property to give workers information about the union.
- **Voluntary recognition:** Some organizations also use the neutrality agreement to establish a policy of voluntary recognition, whereby an employer agrees to recognize union representation once a majority of workers agree, eliminating the need for an National Labor Relations Board (NLRB) election. If included, this provision often also includes guidelines for how the union election will be conducted and how a majority will be defined.
- **Enforcement:** Having created these rules, the two parties also create measures to enforce them and arbitrate potential violations on either side. The employer and the union may pre-select and contract with an arbitrator who is ready to quickly and decisively rule on infractions in time to prevent damage to the process.

Once both parties have agreed on neutrality provisions, leadership needs to educate company managers to ensure they don’t inadvertently violate neutrality policies.

“We educate them [on neutrality] just like you would educate employees on any policy,” says AT&T’s Barton. “Here’s what it means, here’s what it doesn’t mean. Here’s what you should say. More

importantly, here's what you shouldn't say." Consider disseminating FAQ lists, scripts, and fact sheets for managers, as well as holding live sessions with HR or labor relations leaders for managers to ask questions.

Even unions recognize the importance of training for front line managers. Without it, says organizer Veselka, managers will feel caught in the middle without the tools "to navigate what can be an emotional time.... They must be reassured that their future at the company is not attached to the outcome [of the organizing effort]. If these messages and actions around them are consistent, managers will understand that the company is neutral, and over time, so will most employees." Veselka points out this is critical to creating an "environment where workers know they can organize without fear of reprisal."

Workers ask for recognition

As the Center for American Progress reported in early 2023, voluntary recognition has become an increasingly common policy across sectors. Industrial workers at The Metals Company, service workers at Sodexo, minor league athletes at Major League Baseball, editorial staff at The Atlantic, tech workers at Microsoft (see case study above), and many others have benefitted from their employers' choice not to interfere in union organizing efforts. The tactic's increasing popularity has a simple explanation, explains SEIU's Stern. "Talent is really the company, and starting a war with your talent probably is not the best thing possible to do," he says, noting that under labor law, unions that ask for voluntary recognition have already gained a majority of workers' support. "Certain employers have decided for either business reasons, talent reasons, or moral reasons that they prefer allowing employees to express their opinion."

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Talent is really the company, and starting a war with your talent probably is not the best thing possible to do.”

ANDY STERN
SEIU president
emeritus

The benefit of voluntary recognition is that “it gets you to the conversation of the substance very quickly because you’re getting past the process,” Faiz Shakir, founder and executive director of media organization More Perfect Union, explains. In addition to covering the American labor movement, the organization also voluntarily recognized its own union in 2022. By submitting the necessary number of authorization cards, the union has already demonstrated “that there are a majority-plus of staff who want a collective voice in the

organization,” Shakir explains. At that point, both parties can move forward to discussing the substance of the agreement rather than prolonging the process and exacerbating any labor strife that may exist.

Negotiating the first contract

With a union officially designated as the worker’s bargaining representative, it’s time to start negotiating the first contract through collective bargaining. With any new standard operating procedure, however, it’s important to onboard and train all parties to prepare them to work most effectively together. Consider these onboarding steps:

- ✓ **Undergo training first—and mediation last.** Both private and government resources exist to support both labor and management in choosing among different bargaining styles; understanding what provisions are required, prohibited, and permissible in bargaining under labor law; gaining communication and problem-solving skills; and negotiating an initial collective bargaining agreement. For example, FMCS is a neutral federal agency that provides such services free to labor and management. Later, if conversations break down, mediation can be an effective last resort tool to bring both parties back to the table.
- ✓ **Create a bargaining procedure.** Once you’ve decided on a bargaining style, create the rules of the road for negotiations. These procedures should include things like who is authorized to negotiate on behalf of each party, who can be present at negotiation meetings, what format the negotiations will take, how the agendas are created, and other logistics.
- ✓ **Consult template agreements.** When negotiating its first contract, More Perfect Union relied heavily on template language from the labor union NewsGuild and other example agreements. Shakir notes that access to templates helped shape conversations on core issues such as wages and benefits. In addition to acting as a roadmap for bargaining

conversations and ensuring management came to the bargaining table prepared, it gave leaders case studies for how other organizations have approached issues like paid time off in their contracts. And because template agreements reduce the need for outside lawyers or consultants, they can also bring down the cost of negotiations.

- ✓ **Focus on the why.** Inevitably, disagreements will arise between workers and management throughout the bargaining process, on topics as diverse as business processes, compensation and benefits, and bargaining procedures themselves. To avoid unnecessary tension around differences of opinion, Shakir recommends navigating potentially contentious moments with clarity and transparency. “Don’t let the people who disagree with you fill in the blanks for you,” he says. Instead, if leaders disagree with a proposal, they should focus on the specific reasons for their opposition. That way, both sides can address major concerns and find solutions that meet the needs of all parties.

CONSIDERATION:

Choosing the right lawyer

It’s important to work with a lawyer whose approach aligns with your own. Employers taken off guard by staff organizing, in a rush to find legal help, may inadvertently hire an attorney who practices “union avoidance.” These lawyers will prioritize weakening or stonewalling organizing efforts rather than helping their clients create a true partnership with labor—strategies which organizer Veselka points out are designed simply to end the union drive, but not to “leave a healthy workforce behind or build back the bonds that existed before they began.” Such counsel may have little experience “on the ground,” handling day-to-day, uneasy labor-management diplomacy between workers and supervisors. Given labor’s long, deep experience with such legal counsel, if your union counterpart encounters an adversarial lawyer, they may take it as a signal that your company is anti-union, whether or not that is the case.

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Don’t let the people who disagree with you fill in the blanks for you.”

FAIZ SHAKIR
Founder and executive
director, More Perfect
Union

Throughout the process, leaders should stay actively involved every step of the way, rather than putting the lawyers in the drivers' seat with little oversight. One common impediment to productive negotiations is "attorneys on either side who don't have an investment in the process," notes Yoshitomi. When discussions become more sensitive or heated, "they're going to get up and they're going to walk away," rather than staying focused on pursuing resolution. (For this reason, in-house counsel is often the best choice, Yoshitomi adds: "In-house attorneys, they're more understanding of, 'Okay, I get it. I'm going to see these people down the hall.'")

Also consider the potential advantages of limiting lawyers' participation. Often, "what happens with a lawyer is you'll get into adversarial posture and fight over things that, quite frankly, for neither party are major issues," Shakir says. He recommends involving lawyers thoughtfully and deliberately, for specific purposes: "Where lawyers are most helpful is clarity of what you're trying to say," he notes. "If you get into an adversarial posture... lawyers are easy to fall back on and say, 'Okay, we need some outside help to come in here and rebuild trust around language and approach and what particular problems you feel like we're not seeing eye to eye on.'"

03

Unions as partners: Collaborating for shared benefit



GLOSSARY

Labor-management committees: Groups made up of representatives from both labor and management. They usually meet regularly to oversee the implementation of the collective bargaining agreement, grievance processes, and other labor-management collaborations outside of bargaining terms that may exist.

Taft-Hartley trusts: Funds jointly administered and sponsored by labor and management to provide benefits including pensions, health care, and child care, to employees. They are established through collective bargaining agreement and may include a single employer or a group of employers in a jointly trusted plan.

Across industries, many company leaders have found labor unions to be willing partners in achieving shared goals beyond the most common topics of collective bargaining. Although high-profile clashes between unions and companies have made headlines in recent months, there is no shortage of unions and business leaders who have successfully worked together to create newer, alternative models of labor-management relations. These partnerships are defined not by the timeline of contract bargaining, but ongoing relationships based on shared projects and shared concerns throughout the life of a CBA.

Together, the two sides can determine the tenor and process for their relationship, whether that's a wholly collaborative bargaining style or a hybrid model that maintains some elements of traditional bargaining relations. Adding collaborative and cooperative elements to the bargaining relationship recognizes that labor and management are both invested in many of the same goals: delivering excellent products and services, maintaining productivity and profitability, securing workers' financial and physical wellbeing, and avoiding labor strife and work stoppages. The union and the company may also share responsibilities throughout the contract period, such as jointly funded and administered job training programs, benefits administration, and grievance resolution.

This approach stands in stark contrast to more traditional adversarial styles of collective bargaining, in which the relationship between unions and management often begins and ends with contract negotiations. Take the Writers Guild of America and the Association of Movie Producers and Television Producers, for example: "There's no real relationship between the AMPTP and the WGA," says Chris Keyser, co-chair of the WGA negotiations committee. As negotiations approach, lead negotiators may "have early conversations about the shape of the table and the parameters of the negotiation are going to be." Aside from that, there's very little contact between the union, which represents writers as permanent freelancers in a craft guild model, and studios. (Since the CBA is designed to set a floor for conditions and compensation, studios often negotiate individually with writers who are eligible for more than the guild minimums.)

Of course, even partnerships that begin with the best of intentions can degrade into conflict and labor strife. Like any business relationship, maintaining a collaborative and congenial atmosphere requires constant investment on both sides—and leaders may not always find themselves with a willing, collaborative partner. Employers can rebuild trust after points of tension through focusing on shared values, building relationships with alternative representatives from the union, and engaging mediators (find more on these approaches in Chapter 2). Many of the tactics in this section, including labor-management committees, annual behavior audits, and other accountability measures can similarly build trust on both sides and help unions and company leadership move past episodes of conflict.

SPOTLIGHT :

Child-care benefits as a labor-management partnership

Some unions and companies have long partnered to provide jointly administered benefits to members through Taft-Hartley trusts. Formed through collective bargaining agreements, these funds are overseen by trustees from both labor and management. Often multiple employers within the same industry will contribute to these funds, lowering costs for individual employers and increasing access for employees across the sector.

While pensions are their most well-known form, Taft-Hartley plans can fund benefits of all kinds. For example, 1199 SEIU United Healthcare Workers East, a health care union with 400,000 members across New York, partnered with employers to create the 1199SEIU Employer Child Care Fund. Since 1992, the program has funded benefits that help members pay for child care, after-school care, and other educational programming.

Now, with much of the country in a child-care crisis caused by a lack of federal funding—55% of parents surveyed by Catalyst in 2023 said that they could not afford child care without employer assistance—the 1199SEIU Employer Child Care Fund offers a model for labor-management partnership to address an urgent need among the workforce.

Outside of formal projects, a closer, ongoing partnership with organized labor also means that leaders have a built-in forum to assess worker sentiment on current and upcoming projects, address worker concerns, and resolve potential issues before conflict arises. “Employers always say they want people to work together for a common good,” SEIU’s Stern points out. “Unions provide an organizational vehicle to do that, because otherwise, it’s really hard to figure out how to do that with a thousand individual workers.”

This chapter considers several tactics for building and maintaining a collaborative relationship, organized by the five major traits of a successful union-management relationship: trust, respect, alignment, transparency, and accountability.

CASE STUDY:

Collaborative bargaining as a competitive advantage with AT&T and CWA

AT&T’s Barton argues that the company’s collaborative relationship with union leadership is one of its chief competitive advantages. Because the CWA and AT&T are equally invested in supporting and sustaining its workforce, negotiations become “a virtuous cycle,” she explains. “When we’re successful, we hire. When we hire, the unions are successful. And when we sit down at the bargaining table and we talk about wages and benefits, it doesn’t benefit AT&T or the American economy if we’re under market on wages and benefits.” Conversely, if the company is a leader on compensation packages, “We get more experienced employees, and when we have more experienced employees, we have a better customer experience. And better customer experience means people stay with us longer.”

Outside of bargaining issues, CWA and AT&T collaborate on projects throughout the year that grow the business, support workers, and invest in local communities. For example, the union and the company submitted a joint proposal to the Department of Labor to fund additional job training to bring

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A big portion of the work is doing the work of partnership itself.”

PAMELA EGAN
Director of the Labor-
Management Partnerships
Program at UC Berkeley

greater connectivity to underserved communities. In addition to expanding internet access to more users, the project would potentially grow the company's customer base, develop the talent pool in areas of need, and create an additional 850,000 jobs for local communities, according to the company's estimates.

The union is a key partner on the project, both because of its expertise running training programs for its members and because of the relationships labor brings to the table. Barton points out the pro-union stance of the current administration and the president's long-standing alliances with labor leaders. "It's a really good time to have the unions as a partner when we go to government officials and regulators and make our case that what's good for America and good for jobs is also good for the union and AT&T."

How to build and maintain a collaborative relationship

Partnership is a process, not a destination. As Berkeley's Egan reminds us, "A big portion of the work is doing the work of partnership itself." Similarly, FMCS's Yoshitomi emphasizes building communication and problem-solving skills if parties want to work together successfully, even in traditional collective bargaining models. Conflicts are inevitable and require repair. "You can't show up after a [period] of hostilities and say, 'Oh, let's do cooperative bargaining because we [had] such a great relationship,'" Stern points out.

"What you're doing there is building a relationship with equals, with a group of people that should have independent power," says Egan. She compares it to building a relationship in a business-to-business partnership: "Would I walk into that room with an adversarial mindset, thinking of them as a cost that I had or a tool that I was going to be using? Or would my goal be to develop a real partnership that I knew would only work if both of us benefited?"

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When we're successful, we hire. When we hire, the unions are successful. And when we sit down at the bargaining table and we talk about wages and benefits, it doesn't benefit AT&T or the American economy if we're under market on wages and benefits."

JAMIE BARTON
AT&T senior vice president
of human resources and
labor relations

Trust must form the core of any productive relationship between management and labor. Visible and high-stakes milestones like contract negotiations, work stoppages, and other labor strife represent inflection points where trust can be reaffirmed or broken—but building that trust happens in much more mundane ways.

Yoshitomi argues that one of the most effective ways to increase and maintain trust throughout the bargaining cycle is to form a labor-management committee. Unlike committees in nonunion workplaces, labor-management committees created by bargaining aren't at risk of overstepping and running afoul of labor law. On labor's side, representatives may even come from the workers' bargaining committee, or they may be chosen some other way by workers. Traditionally, they meet regularly to oversee the implementation of the collective bargaining agreement, grievance processes, and other labor-management collaborations outside of bargaining terms.

"It's kind of like your public works department going in and making sure that, 'Okay, we built the sewer system, but we put the exit in the wrong place. We need to make that adjustment,'" says [Erica Smiley](#), executive director of labor advocacy organization Jobs With Justice, which itself has a unionized workforce.

How to set up labor-management committees and run them well

FMCS facilitates trainings to help organizations create labor-management committees, onboard new members, and administer the committees effectively. For Yoshitomi, the goal of facilitating these initial trainings is to jumpstart "a positive working relationship without us having to be there." Here are some key best practices she shared with us:

- **Create shared onboarding for both labor and management.** Conduct any training and orientation for the labor-management committee with representatives from both parties. Joint onboarding will help the two parties start building relationships and ensure they're on the same page from the beginning.

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[A labor-management committee functions] kind of like your public works department going in and making sure that, 'Okay, we built the sewer system, but we put the exit in the wrong place. We need to make that adjustment.'"

ERICA SMILEY
Executive director, Jobs
With Justice

- **For committee composition, balance inclusion and efficacy.** The exact makeup of the labor-management committee will depend on the size of the organization, Yoshitomi notes. And while “you want to be able to make sure it’s reflective of the organization itself, having too many people involved can prevent that group from making progress,” she says. When deciding the representatives, focus on including the smallest number of people that can represent both sides effectively.
- **Write a shared charter.** “Ground rules are a must,” Yoshitomi says, and they should include “how they want to operate, how they want their meetings to look, and what type of progress they want to make,” as well as shared goals with attached timeline. That way, “everyone is clear on what to expect.” That also goes for any subsequent agendas.
- **Follow through.** Building and maintaining trust hinges on “the tiny little things,” Yoshitomi says. It’s about following through on deliverables by the agreed upon deadline or proactively communicating when issues arise in the timeline.
- **Invest in relationship building.** Yoshitomi encourages all members of the committee to make connections with representatives from the other party. That includes small actions, like saying “hi” in the hallways or starting all meetings with a check-in question, and more longrunning rituals, like bringing food to committee meetings, switching off between labor and management each time.
- **Don’t be afraid to bring the hardest problems to the table.** “One of the biggest mistakes employers make in a new partnership with their employees is not giving them real work to do from the start,” showing up to the bargaining table or work group without real data or the people most knowledgeable on the subject, says Veselka. “There are many reasons that management might be reluctant to bring difficult or high stakes problems to this new group, such as nervousness about exposing company weaknesses or doubts that their employee counterparts have a big-picture-view to make the tough decisions. But trust isn’t something you construct through icebreakers, catered lunches, or writing touchstone agreements. Trust is something you practice through taking risks and seeing what happens. When people are given hard problems to solve, problems that matter, leaders develop, relationships build, respect grows. The tougher the call, the greater the impact, the better the leaders will be.”

- **If relationships break down, invite a mediator.** When conflict does arise, Yoshitomi encourages committees to reach back out to FMCS for additional mediation or training on communication and joint problem solving

FURTHER READING:

The [FMCS guide](#) to labor-management committees, which includes more best practices, sample contract and bylaws languages, and additional background on the benefits of forming these committees. For more resources on running effective meetings generally, check out Charter Pro's [meeting facilitation toolkit](#).

CASE STUDY:

Kaiser Permanente's innovative labor-management model

Managed health-care organization Kaiser Permanente has long been hailed as an innovative model for labor-management collaboration. And although the health center is not free of labor strife, as shown in recent strikes at Kaiser medical centers, its practices offer an instructive example of how to set up labor-management committees to start a productive relationship.

According to MIT's Kochan, co-author of [Healing Together](#), a 2009 account of Kaiser's labor-management partnership, the collaboration was initially born of a period of crisis. "They were having battles. They were having wage concessions, strikes, and all kinds of turmoil." To avoid further strife, a coalition of unions representing Kaiser workers and the leadership of the health-care organization came together to "build a partnership and work together to try to address our concerns rather than engage in these very costly fights and mutually self-destructive actions."

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One of the biggest mistakes employers make in a new partnership with their employees is not giving them real work to do from the start.”

VANESSA VESELKA
Labor organizer

Over the course of several years, labor and management built long-lasting relationships; information-sharing processes; and agreements on wages, job security, and benefits. Labor and management worked together in committees to create solutions based on a set of shared values: improved service, reduced costs, and better patient care.

“You used to say when you went to those meetings and watched the committees in process, you couldn't tell who was management, who was union,” recalls Stern, formerly president of SEIU, one of the unions that represents workers at the organization. Their infrastructure of labor-management cascaded collaboration down to individual workplaces through “unit-based teams.” Composed of nurses, doctors, technicians, and service workers, these teams work together to address issues as diverse as patient care and safety, staff scheduling, and implementation of technology in the workforce.

FURTHER READING:

Healing Together by Thomas A. Kochan, Adrienne E. Eaton, Robert B. McKersie, and Paul S. Adler, a comprehensive look at the labor-management partnership at Kaiser Permanente.

According to the experts we interviewed—whether researchers or practitioners, business or labor—several interconnected values-based qualities contribute to trust:

- Respect
- Alignment
- Transparency
- Accountability

To support these qualities, management should implement the following skills and practices:

Respect: Accept both parties as equal partners in the process, with their own valid perspectives and concerns.

- **Agree to non-disparagement, and define what that means.** While labor and management may approve official non-disparagement clauses when they sign a neutrality agreement, carrying those policies forward into the life of the labor-management relationship, whether in employee training, company meetings, or statements to the press, is essential to maintaining a respectful relationship. As with neutrality agreements, it's important to mutually agree on what qualifies as disparaging or maligning, and what counts as neutral.
- **Focus on the ultimate goal.** While mediating negotiations, Yoshitomi often has to de-escalate tensions—or stop them from arising before they occur. When one party sends an outlandish proposal out of anger, she stops to ask three questions: “Do you think that they’re really going to accept that? What do you think their response is going to be? Do you think that this is going to help us get closer to an agreement?” After reflecting, they often reevaluate their proposal and revise it to get closer to an agreement.
- **“A healthy partnership requires both partners be strong.”** Organizer Veselka argues, “‘Yes’ has to mean yes and ‘No’ has to mean no. But where CEOs can simply direct their staff to carry out a program, their union employee counterparts have no such power. Their coworkers can vote them out or ignore them. This means a diverse group of respected leaders who are trusted and supported by their peers must be at the center of all collaborative work. This is where the strength comes from.”

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The parties get the most out of it when they do the trainings jointly.... For them to hear the same information on how to work together and how to communicate well, that's where they progress so much.”

CHRISTY YOSHITOMI
Commissioner for the
Federal Mediation and
Conciliation Services

Alignment: Unions and management should work to stay on the same page around shared values, shared projects, and responsibilities.

- **To stay aligned, start aligned.** In addition to writing shared norms and values into a labor-management charter, Yoshitomi recommends conducting all trainings together. “The parties get the most out of it when they do the trainings jointly,” she says. “For them to hear the same information on how to work together and how to communicate well, that's where they progress so much.”

- **Speak the same language.** Because labor leaders and company leaders may come from different backgrounds, the same words may mean different things to each party. Before making high-stakes proposals, consider running language by a third party who can identify common pitfalls. During negotiations, Yoshitomi often plays this role. “I’ll dictate to them, ‘Say it this way. Don’t use ‘X’ word. If you use this word, it’s going to blow up everything at the table,’” she says.
- **Check in regularly on shared norms.** Debbie Sanders, founder of labor relations consultancy Make Work Better, recommends recirculating the shared expectations at the end of each meeting: “After every meeting we say, ‘Did we adhere to those?’ And you just do a very quick check, so it’s timely feedback.”
- **Identify shared projects that reflect both labor and management’s values.** Outside of core bargaining topics, areas of collaboration may be modest, like improving cafeteria options, or major, like the job training proposal AT&T and CWA submitted jointly to the US Department of Labor.

Transparency: Unions and management should commit to regular communication that keeps all partners informed.

- **Keep meetings consistent, and stay in contact outside regular meeting times.** In organizations without labor-management committees, keep lines of communications open so labor and management representatives can bring up issues between bargaining cycles.
- **Cascade communication norms down the organization.** Encourage shop stewards and managers to build positive working relationships. “That’s the place where everything comes to roost,” AT&T’s Barton says, noting that most issues can be handled locally without escalating to labor-management committees when stewards and managers work together.
- **Proactively share information that is relevant to the other party.** Active disclosure helps both parties deliver on their previously made commitments, says Barton. For example, when one of AT&T’s union partners wants to organize a new job title or geographic area, “If the union will tell us where they’re going to

organize, say, a group of outside sales managers in New Orleans, then we can right then and there and have a meeting with the managers in New Orleans” about how the unionizing process works and AT&T’s neutrality policies. Otherwise, managers may unknowingly break policy.

Accountability: Act quickly to address harms caused by either side and work to prevent serious rupture by handling issues before they escalate.

- **Proactively reach out to recognize and repair any behavior that breaks shared norms.** For example, conduct a corrective coaching session with a manager who breaks a neutrality agreement or disparages the union. Quick problem solving can also avoid lengthy formal arbitration processes for both parties.
- **For bigger issues, create action plans together to address harms.** Consultant Sanders recommends starting with a listening session. After both sides start by sharing their perspective, each party describes how they see the other. Then the two parties compare the lists and each commit to things that they will do more of and less of. Ideally, the final action plan will include a shared goal for the change, any follow up steps, and a timeline for implementation.
- **Prevent serious rupture through a continuous improvement cycle.** “Don’t wait until things go wrong and then try to mend it because you’ll be years trying to mend it,” Sanders says. Instead, leaders should constantly ask: “Is this working? What do we need to change?” as they would when evaluating a product or service. In addition to creating feedback loops within the committee through agenda items for soliciting feedback from both parties, she recommends an annual behavior audit.

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Quick problem-solving can avoid lengthy formal arbitration processes for both parties.”

TEMPLATE :**How to conduct an annual behavior audit**

To assess the health of labor-management relations, Sanders recommends starting by collectively defining what a constructive relationship looks like, from the point of view of both labor and management. For the most useful tool, isolate specific behaviors related to values in your shared charter. The result should be “a list of behaviors that you can say, ‘If we all did this, if this is the way we worked, we would have a constructive employee-relations climate,’” she explains.

Then, describe how these behaviors would look in different areas of the business, from the c-suite down to the shop floor. At the end of the year, use the document as a rubric to grade industrial relations with input and evaluations from workers and managers throughout the company.

Use the example below as a template to get started.

Value: We genuinely listen and consult.

What behavior supports that value: We locally raise problems before everything goes wrong.

What that looks like...

...in the c-suite: Notifying labor leadership of decisions about work-site closures or layoffs and job freezes before they occur.

...in labor-management committees: Providing timely updates on active agenda items.

...on the shop floor: Working with shop stewards and managers to address and correct break-time violations as they occur.

Ultimately, the principle of building trust through respect, alignment, transparency, and accountability will be familiar to leaders of all dynamic and fair organizations, whether or not they are unionized. With internal practices, these are the qualities that promote employee development throughout the performance review cycle, keep teams on track for objective key results, and guide organizations through times of economic uncertainty. Externally, they shape relationships with partners outside the organization, from clients and community members to sponsors and vendors.

When labor leaders also sign onto the principles, the union, and the workers it represents, then becomes a partner for initiatives that improve organizational culture, employee experience, and the work product itself.

CONSIDERATION:

What about strikes?

Many business leaders' greatest fear in leading a unionized workforce is the threat of a strike or work stoppage. Strikes can cost employers millions of dollars in lost productivity and in some cases, lost inventory that languishes during interruptions to production. For example, one of the highest profile strikes of 2023 was the WGA and SAG-AFTRA's strikes in Hollywood. Some estimates put the economic impact of the strikes at over \$6 billion when factoring in lost wages, decreased productivity, and other business impacts. With production timelines delayed or halted, many production companies posted sluggish earnings and decreasing shareholder value.

But it's important to keep two things in mind: First, workers are legally allowed to strike even without a union. And, second, striking places a huge burden on workers; it's a negotiation tool that becomes a rational choice only when collaborative problem-solving processes break down.

In addition to the lost wages and stalled careers that can come with a work stoppage, "most people have enough problems in their life," Stern points out. "They've got fights with their kids and their parents and their neighbors and in their community and in their political life. It's not

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Striking is a negotiation tool that becomes a rational choice only when collaborative problem-solving breaks down.”

like they're saying, 'Boy, I can't wait to get to work and pick a fight with my employer.'" Rather, most workers view strikes as a tactic of last resort, when normal negotiations fail to deliver an outcome that addresses their needs and concerns. They happen most often when organizations and unions fail to establish collaborative working relationships.

Take the WGA, which is known for authorizing strikes relatively frequently as a bargaining tactic, and recently concluded one of the longest strikes in its history. "The companies only do what they feel you can force them to do," observes Keyser. "It is unfortunate in some sense because much of what we're asking for is mutually beneficial, and not all of them have costs to the company's bottom line." Keyser argues that strikes are the only way to get management's representatives to take writers' concerns seriously because the bargaining relationship is "ruthless... [and] based on an overwhelming power that management has" rather than a "mutual understanding about the ethos of bargaining."

Even when strikes happen in organizations with more collaborative models like Kaiser, built-up goodwill should contribute to making them shorter and less frequent. Before this year the coalition of unions that represents Kaiser workers had not carried out a strike since leaders introduced the labor-management model in 1997, far less frequently than its peer institutions. And observers, including Adrienne Eaton, dean of Rutgers School of Management and Labor Relations and co-author of *Healing Together*, attribute much of the recent labor strife to a declining investment in a collaborative partnership on both the part of Kaiser and the unions, as reported in HealthcareDive.

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An organization that's able to carry out a strike... is an org that is also able to carry hard messages through hard times.”

VANESSA VESELKA
Labor organizer

Harvard's Block also cautions not to view strikes as a failure. Even while leaders may disagree with the decision to strike, it comes from a shared commitment to the organization: "Workers don't go out on strike because they hate the company," she says. "Workers can leave and go somewhere else. If they care enough to organize or to go out on strike, it's because they want to stay. They just want it to be a better company."

Leaders should keep in mind, too, that a partner who cannot walk away from the table is not a strong partner—and it's in organizations' best interest to have a strong union partner, for two reasons. One, it ensures that negotiations are conducted with real decision-makers and lead to real action, rather than time-wasting bureaucracy. And two, strong union leaders are a valuable managerial talent pool in and of themselves; their skills in cultivating relationships, fostering trust, and driving results are the same abilities that make them employees worth investing in. "An organization that's able to carry out a strike," says organizer Veselka, "is an org that is also able to carry hard messages through hard times."

Although rebuilding a trusting and collaborative relationship requires sustained investment from both labor and management in the wake of a strike, Block encourages leaders to look at it as an opportunity for growth. In many circumstances, both sides have a chance to recommit to their shared investment in the organization's success through a contract that all parties can agree to. Ideally, for Block, the result is "an investment of workers in their future and in the future of the sector and companies so they can continue to work together and grow into the future. To me, there's something hopeful about that, and employers can make a choice to see it that way."

CONSIDERATION:

Labor-management collaboration in the age of AI

As generative AI continues to reshape the way work gets done, its implementation has become a flashpoint in labor-management relations. Depending on companies' relationship to organized labor, conversations about AI implementation can be a productivity-sapping source of conflict or a fruitful area of collaboration.

For example, workers' desire to establish limitations and parameters around the use of generative AI guardrails helped motivate writers and actors to go on strike in 2023—the first time in 63 years that the actors' union, SAG-AFTRA, and the WGA went on strike at the same time. During the 148 days of the WGA strike and the 118 days of the

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SAG-AFTRA strike, television and film production ground to a halt. Ultimately, studios acquiesced to many of the unions' core demands around AI, creating guardrails to guide future technologies.

As WGA and SAG-AFTRA demonstrated the organizing power of workers united for AI protections, other employers charted an alternative path that invites organized labor into the conversation on AI adoption as partners rather than adversaries. Just months after the Hollywood strikes concluded, Microsoft and the AFL-CIO announced a partnership focused on developing and implementing new workplace AI technologies that center worker voice. At a joint event announcing the project, Microsoft's Smith recognized that labor has historically had to fight for its seat at the table, whether the issues at hand were new technologies, working conditions, or fair compensation. But, he pointed out, "it's also possible to bring people together without those kinds of fights—to bring people together in a more amicable and constructive way."

As Charter has covered in our playbook, "Using AI in ways that enhance worker dignity and inclusion," workers bring crucial expertise to the AI adoption process, including identifying and developing the most promising use cases across departments, flagging potential consequences on workflow that high-level management may miss, and predicting how new technologies can impact product and service quality. Survey data suggest that most workers are up to the task: Charter's 2023 survey of US knowledge workers found that 59% of individual contributors feel empowered to raise concerns or point out problems related to generative AI at their organizations. But with only 47% stating that they believe their interests will be well-represented in AI adoption efforts, a partnership with a union or other worker organization is crucial to making workers feel heard.

According to a joint statement from Microsoft and the AFL-CIO, their new partnership has three goals: sharing information between Microsoft and unions on the latest developments in AI, integrating worker perspectives into the development of new technologies to develop tools that best serve them, and advocating for public policy that supports upskilling and training for frontline workers. The

partnership also included a formal neutrality agreement between the technology company and all of AFL-CIO's 59 affiliate unions.

The foundation of the partnership is a set of shared challenges and common goals, explained AFL-CIO president Liz Shuler at the event: “to make sure that our economy and our country are successful, stable, and have a bright future.... Those goals can be mutually beneficial for workers, for business, and for our country as a whole.” And although these concerns are specific to Microsoft and the AFL-CIO, their collaboration offers a roadmap for other unions and companies searching for their own areas of potential partnership.

04

Conclusion



Now that you know the ecosystem of approaches to worker empowerment, you can start to take stock of your organization's risks and opportunities and begin forming an action plan. What are the changes that will take you from your current state to a workplace that more meaningfully empowers its workers? How can you establish a culture and processes that leverage worker empowerment to further existing organizational and priorities?

To help chart your company's path from status quo, through incremental change, towards best-in-class practice, start with this worksheet. Begin by answering the following questions on your own and then use it to jumpstart an organizational assessment involving other members of your leadership team.

Once you've each collected your thoughts, come together as a group to discuss where you align and where you diverge. Work to collectively reconcile your answers into a comprehensive picture of what your priorities should be and how you might reshape your own workplace norms to help build toward a more fair and dynamic economy.

PART 1

Taking stock

What do worker voice and worker representation currently look like at your organization?

1. What mechanisms exist to bubble up worker sentiment from the lowest levels to top leadership?
2. How do workers collaborate with management to improve product, culture, and processes?
3. How is worker leadership defined and rewarded?

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PART 2

Looking forward

What are the opportunities to make your organization more democratic and responsive?

1. What employee-led initiatives currently exist to express employee sentiment and desires?

What is the relationship between management and these worker-led initiatives?

How have these initiatives affected the way work gets done?

2. What employer-led initiatives currently exist for worker voice, worker representation, worker ownership, and collaborative collective bargaining?

What are the strengths of these initiatives?

What changes would make them more effective?

3. What are your organization's most pressing people-focused priorities (for example, DEI, retention, worker health and safety)...

...for the short term?

...medium term?

...long term?

How might a more empowered workforce, or a partnership with an organization that represents them, help you move forward on each of those priorities?

3. What areas of challenge, friction, or inefficiency could benefit from partnership with an employee organization?

We're eager to hear how you approach the ideas in these pages and how they come to life on the ground in all their complexity: What have you tried, and what have you learned, in pursuit of fostering a more empowered workforce? Let us know at hi@charterworks.com and eop.program@aspeninstitute.org.

Of course, some of the barriers to realizing the benefits of worker empowerment—for workers, companies, communities, and the broader economy—remain more systemic. Overcoming these barriers will require business leaders to engage beyond the bounds of their own organizations, whether partnering with peers and labor groups across an industry (launching a training center, implementing a Taft-Hartley trust, participating in a labor standards board), shifting business culture through shared learning and thought leadership (penning op-eds, joining the Aspen Business Roundtable on Organized Labor), or advocating for local or national policy change. Here's a snapshot of the current policy landscape as of early 2024:

SPOTLIGHT :

Federal policy and legislative landscape

Codetermination

A widespread interpretation of US labor law has led to the relative scarcity of works councils in the US, says Harvard's Block. "There's a provision in the law that prohibits company dominated unions," she explains, "which has been interpreted that employers cannot create structures in which some workers represent other workers to share their opinions on issues related to the workplace."

Six states have created some form of industry-level council that includes worker representation: Michigan and Minnesota for nursing home employees, Colorado and New York for farm workers, Colorado and Nevada for home care workers, and California for fast-food workers. These boards directly involve workers in setting standards, including floors for pay, hours, benefits, and even staffing and training requirements.

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In the future, US employers may be able to expand their models for codetermination as the US government clarifies the law. If that does happen, leaders may draw inspiration from European countries in which codetermination is not only the norm but a legal requirement. For example, in Germany—one of the strongest and most commonly cited examples of codetermination—companies with at least 500 employees must reserve one-third of board seats for workers; for organizations larger than 2,000 people, that number is 50%. (German publicly traded companies have a “supervisory board,” akin to a US board of directors, and a “management board,” similar to the executive team in US companies. We refer here to supervisory boards.) Workers in companies of at least five people also have the right to establish works councils.

Employee ownership

Business leaders interested in exploring or expanding employee ownership in their organizations should keep an eye on multiple bills that may soon make it easier to do so. In recent months, two bipartisan pieces of legislation have been introduced to both houses of Congress, including:

- The Employee Equity Investment Act, which would increase federal support for investment firms focused on employee-owned businesses.
- The Promotion and Expansion of Private Employee Ownership Act, which would incentivize the creation of S corp ESOPs.

See [here](#) for the NCEO’s roundup of recent state-level developments, including the California Employee Ownership Act, which took effect last year and provides support and funding for organizations looking to transition to employee ownership

Organized labor

Much of US labor law is based in the National Labor Relations Act, passed in 1935 following a swell of union activity, and subsequent decisions by the National Labor Relations Board. These statutes and cases determine the practices around unionization and contract bargaining, including defining unfair labor practices, determining what can comprise a bargaining unit, and how union elections are conducted.

For example, the 2023 decision from the NLRB, *Cemex Construction Materials Pacific, LLC*, revived an unfamiliar old procedure to establish a new protocol for recognizing and certifying unions that have demonstrated majority support among employees. Under *Cemex*, once a union has collected authorization cards from a majority of employees, employers must recognize and bargain with the union or file a petition for an election within 14 days. If the employer fails to file a petition—or commits any unfair labor practices in the course of the election process—the NLRB will order the employer to recognize the union and begin bargaining. This was a departure from precedent, which had allowed many employers to withhold responses indefinitely, delaying the union certification process.

In 2019, House Democrats introduced the Protecting the Right to Organize Act, which would reform some aspects of existing labor law to increase protections for workers, including preventing employers from holding captive audience meetings, permitting secondary strikes, and weakening state-level right-to-work laws. In 2019 and 2021, a version of the bill passed the House but not the Senate. It was reintroduced in February 2023 by Representative Bobby Scott of Virginia.

Others, including Block, have argued for further reforms that bring American labor law in line with peer countries in Europe. “I

wish that American labor law was just a little more forgiving in terms of being able to utilize some of the strategies that we've seen be very successful in Europe," she says. That includes provisions like forming works councils and sectoral bargaining (where all employers in a given industry bargain together with unions).

Contractors and gig workers

The explosion of app-based gig work, like rideshare and delivery services, has led to a contentious legislative debate regarding the proper classification of workers. If classified as employees, companies are required to offer additional protections and benefits, such as minimum wage regulations, overtime pay, social security benefits, and unemployment insurance—all of which are unavailable to independent contractors.

In January, the US Department of Labor changed the definitions for employees and independent contractors, reverting to an Obama-era test that considers the level of control an employer has over working conditions and workers' ability to make a profit from their work, among other factors. The proposed language will affect workers across industries, including drivers for digital gig-work platforms such as Uber and Lyft, as well as workers in more traditional workplaces like nail salon technicians, home health aides, security guards, and call center workers.

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It remains unclear whether gig workers will ultimately become employees with full protections or remain contractors with greater levels of flexibility and (opponents argue) precarity—or whether fresh policy thinking can bridge the gap in creative new ways.”

The new rule rescinded a Trump administration change that made it easier for employers to classify workers as independent contractors and has faced legal challenges from digital gig-work platforms like Uber, Lyft, and Doordash, as well as smaller firms that provide contractors like truckers and janitors. The debate on the federal level mirrors similar debates on the state and local level: Labor activists and rideshare companies in California have been locked in a years-long legal battle over the classification of gig workers, New York City's

delivery workers succeeded in securing minimum wage protections early this year, and Massachusetts voters will decide on two competing ballot measures this fall on the classification of independent contractors and the right for gig workers to unionize.

In the midst of this contentious debate, the fact that gig workers fall outside of the jurisdiction of the NLRA has also opened up opportunities for collaboration between platform companies and labor organizations. For example, in New York the Independent Drivers Guild has partnered with rideshare companies to administer an independent grievance adjudication process when drivers feel they've been unfairly deactivated.

With continuing legal challenges, as well as shifting levels of influence in state and federal politics, it remains unclear whether gig workers will ultimately become employees with full protections and benefits or remain contractors with greater levels of flexibility and (opponents argue) precarity—or whether fresh policy thinking can bridge the gap in creative new ways.

Current circumstances may mark a new inflection point for labor in the US. As we emerge from a global pandemic, adapt to evolving stakeholder expectations, and contend with rapid technological change, we hope this guide serves as a starting point for businesses to help shape a more fair and dynamic economy for decades to come.



About



This playbook was brought to you by Charter and The Aspen Institute.

This guide was written and edited by Michelle Peng, Cari Romm Nazeer, and Liba Wenig Rubenstein, and designed by Daniel Lee. Thanks for reading, and please feel free to get in touch with questions, reactions, and ideas for future playbooks at newsroom@charterworks.com. For more information on the Roundtable, email eop.program@aspeninstitute.org.

About Charter

Our mission is to transform every workplace and catalyze a new era of dynamic organizations where all workers thrive. Charter does this by bridging research to practice—giving people the tactical playbook for what work can and should be.

Charter is a next-generation media and insights company. We publish a [free email newsletter](#), original research, and articles about work on [TIME.com](#). [Charter Pro](#) is a premium membership that supports owners of the people agenda in executing their highest-value initiatives, quickly. We also host [events](#) for workplace decision-makers and work with organizations directly.

About The Aspen Business Roundtable on Organized Labor

A private network of CEOs, founders, investors, and business leaders reinventing corporate America's relationship with collective worker power. The only group of its kind, the [Roundtable](#) provides members the opportunity to learn from peers, academics, and [labor leaders](#), and support in implementing [new ideas](#) to build more representative and innovative workplaces. Members represent industries from health to hospitality, construction to media, and food to finance. The [Roundtable](#) convenes through Aspen Institute's [Economic Opportunities Program](#) and MIT's [Institute for Work and Employment Research](#).

Acknowledgements:

Charter and The Aspen Business Roundtable on Organized Labor would like to thank:

- The Roundtable's labor advisors, **Mary Kay Henry** (president, Service Employees International Union), **Ai-jen Poo** (president, National Domestic Workers Alliance), **Liz Shuler** (president, American Federation of Labor–Congress of Industrial Organizations), **Erica Smiley** (executive director, Jobs With Justice), and **Randi Weingarten** (president, American Federation of Teachers).
- **Chris Sanders**, for careful legal review from a uniquely well-informed perspective.
- **Vanessa Veselka**, for informing our thinking from early on and helping us connect the dots.
- **Daniel Lee** for being a fount of design wisdom, vision, and endless patience.
- **Matt Helmer**, for connections to the world of employee ownership and thoughtful feedback.
- **Merrit Stüven**, for thoughtful review and general Roundtable support.
- **Kevin Delaney** for thorough edits and thoughtful guidance.
- **Roy Bahat**, Roundtable chair, for being a voice of reason and model of what high road business leadership can look like, inspiration for the work of the Roundtable, invaluable advisor along the way, and closest reader of all.
- **Maureen Conway**, for giving the Roundtable a home and shepherding this playbook into existence.
- **Siena Chiang**, for being a critical thought partner in this experiment from the beginning.
- **Thomas Kochan** and **Wilma Liebman**, the intellectual heart and soul of the Roundtable and of this guide.