

## Application Case 17-1

### Campus Food Systems

As part of a master's program in food services management, Cindy Breen has just begun her internship with Campus Food Systems (CFS). CFS is a self-operated university food service department at Cindy's alma mater, Gulfport State College. As a department, CFS reports directly to the vice president of administration, the office generally responsible for nonacademic matters co-funded by the school. Self-operated food service programs try to minimize loss rather than maximize profit. They are operated by employees of the institution, as opposed to contract operations run by professional management companies like Marriott Corporation and ARA Services, profit-making enterprises.

CFS employs about 60 full-time employees. In addition, the staff is supplemented by almost 100 students who provide part-time labor. Thus approximately 160 employees, largely part time, are responsible for providing three distinct dining services to the Gulfport campus: Watkins Dining Hall (traditional cafeteria service for residents); Sea Breeze Cafe (fast-food service for students, faculty, staff, and guests); and Catering (a full range of catering services offered both on and off campus). A fourth function, Stores, orders, receives, inventories, and disburses food and nonfood supplies to the other three operations.

Cindy knows that most self-operated food service programs are located at much larger universities. A small operation like CFS is always vulnerable to a takeover threat from large contractors like Marriott. Smaller schools are easy targets. Also, turnover in the administration makes the threat of a takeover stronger—and Gulfport has just changed presidents. President Sheila Dawes comes from a large university that used ARA to administer dining-room operations. Cindy's supervisor, Jake Platt, has told her that she must help him assure the new college president that CFS should remain self-operated.

Cindy has been working at CFS for only two weeks, and Jake has just assigned her to manage the student help. Her responsibilities include interviewing, selecting, training, scheduling, and disciplining about 100 part-time employees. She also has been charged with preparing a report, Work Accidents in the Food Service Areas, for the previous calendar year. This report will be sent to President Dawes and the Human Resource Department and forwarded to both state and OSHA agencies to comply with state and federal safety and health legislation. Jake has told her to minimize the severity of the reported occupational illness and accidents. He says that CFS can't afford to "inflate" these statistics. They might attract President Dawes's attention. Jake also hinted to Cindy that both her grade in the internship and a favorable job recommendation rest on how she handles the accident report. Some of the accidents Jake has asked her to minimize include the following:

- Bill Black, part-time employee, fractured and cut his right hand when a spring-loaded piston on a food cart snapped back and caught his hand between the cart and a heavy loading cart door. Cindy has learned that Bill's injury has resulted in a permanent partial disability of two fingers.
- Leslie Campbell, Oprah Moses, Cici Potts, Winnie Chung, and George Wilson all cut their hands on the same meat slicer at different times. Each accident was caused when another employee failed to replace the knife guard after cleaning it.
- Winston Knapp received burns on his face, chest, legs, and stomach when hot water splashed out of the steamer into which he had lowered a tray of hot food.

Jake has also asked Cindy to omit any accidents for which reports were not made to Human Resources at the time of the incident. So far, Cindy has documented 46 such

incidents, ranging from a box falling on a student's head to severe cuts from broken glass and knives. But Jake has said not to worry: They were all student employees who used their parents' health insurance to cover medical expenses.

Cindy is distressed by the number of accidents that have occurred during the previous calendar year at CFS. She has just reviewed data from the Bureau of Labor Statistics released in 1995 in her Restaurant Management class. Cindy knows that working in food service can be quite dangerous, but the number of accidents at CFS during the last year is about 50 percent more than in other, comparable small food service operations. In addition, she has found that many accidents were never reported to the state.

Another problem with the incident reports Jake has supplied Cindy to compile her report is the fact that they fail to mention Rick James, a student employee who contracted a severe case of salmonella poisoning from handling diseased seafood. Rick has just returned from a three-month hospital stay. He had been so ill that he had become paralyzed and at first was not expected to live. He missed almost a whole semester of school. Since Rick's illness, CFS has forbidden student employees to handle raw seafood, but that rule has been frequently violated, owing to high absenteeism and turnover of full-time personnel.

Cindy sits contemplating what her sense of values tells her to do next. She has jotted down her alternatives:

1. Prepare the report as Jake has asked, with omissions.
2. Prepare the report, but include the incident reports.
3. Prepare the report including all incident reports, previously unreported accidents, and Rick's serious illness.
4. Go to Fred White, CFS director and Jake's supervisor, and give him a complete report.
5. Send the complete report directly to President Dawes.
6. Call OSHA and ask for someone to inspect CFS.
7. Leak the story to the student newspaper and the local press.

### Discussion Question

What should Cindy do and why? Frame your answer in terms of a safe and healthy workplace.

Source: Written by Jean M. Hanebury, associate professor of management, Texas A&M University-Corpus Christi.

### Notes

1. Deepti Ramesh and Ian Young (January 17, 2007), "Tata Boss Proposes Cleanup of Bhopal Site; Survivors Protest," *Chemical Week*, Vol. 169, Iss. 2, p. 13; "Asia: Bhopal's Deadly Legacy in India" (November 27, 2004), *The Economist*, Vol. 373, Iss. 8403, p. 76; Ian Mitroff, Paul Shrivastava, and Firdaus E. Udivactra (November 1987), *Effective Crisis Management*, pp. 283-91.
2. "Bhopal" (January 28, 1985), *New York Times*, p. 24.
3. Susan Warren (January 27, 2003), "Asbestos Quagmire-Plaintiffs Target Companies Whose Premises Contained Any Form of Deadly Material," *The Wall Street Journal*, p. B1; Cynthia Mitchell (June 1986), "Trustees Named for Manville's Asbestos Fund-Action Puts Concern Closer to Leaving Chapter 11," *The Wall Street Journal*, p. 1.
4. Ibid.

any appearance of threats or inappropriate promises. The company president in this case provided basic decertification information and referred interested employees to contact the NLRB for further information. He also expressed to the employees that the decertification decision was completely up to them and that the company would take no adverse actions against employees based upon their decision. In its decision, the appeals court indicated "the company could not have been more careful about not interfering with the employees' free choice and yet still informed them of the availability of the decertification procedure."

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### Application Case 15-1

## The Union's Demand for Recognition and Bargaining Rights

### Background

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The employer owned and managed an apartment building and townhouse complex, where it employed a number of janitorial workers. On December 5, the union held an organizing meeting with these workers and obtained signed authorization cards from six of the employees in a proposed unit of 11 employees. One other employee in the unit was already a member of the union. On December 8, 1975, Orval Schimmel,\* a union organizer, advised Thomas Hall, the employer's property manager, that the union represented recognition and bargaining rights. Hall responded that he had nothing to do with union matters and that the appropriate person with whom to speak was vice president Carl Alton.

On December 8, after the union had first requested recognition, a maintenance supervisor, Larry Melton, telephoned an employee, George Thompson, at his home and asked if any union people had contacted him. Thompson replied that none had. The next morning Melton entered the maintenance office, where the janitorial employees reported for work, and asked another employee, Alice Coleman, "What has the union done to you?" Coleman did not reply. Melton then entered his own office and called in a third employee, Theo Ewing. Melton told Ewing that he knew that the employees had brought in an organizer and wanted to organize a union. He then asked Ewing whether he had attended the meeting and whether he knew who sent for the organizer. When Ewing denied attending the meeting and any knowledge about who sent for the organizer, Melton repeated the questions and told Ewing not to sign anything or talk to any organizer and to keep him informed of any such activities. On the evening of December 9, Melton again telephoned George Thompson and asked whether he had spoken to any union people. Thompson admitted that he had but refused to offer any further information. Melton continued to question him about why he was doing this and who attended the meeting. After several unsuccessful attempts to elicit additional information, Melton said to Thompson, "You are either on my side of the fence or your side of the fence. . . . You always had it good. I have given you . . . you got a nice job, you got an apartment. . . . This is your last chance." Thompson still refused to answer.

That same evening, December 9, Melton telephoned Gloria Greer, another employee, and asked why she had not told him about the union meeting. Greer denied knowledge of the meeting. Melton then telephoned Ewing and asked who brought in the organizer. He repeatedly attempted to elicit this information, but Ewing said he did not know. Melton ended the conversation by telling Ewing to keep his ears and eyes open and to let him know if he heard anything. He also told him not to sign anything.

\*The names of all individuals have been disguised.

On December 24, Larry Melton was terminated by the company, and he was replaced by Leo Nord. At about this same time, the company announced that it was improving its sickness and health benefits program for employees, including a new benefit to cover maternity medical expenses for employees and their spouses.

On January 30, the morning of the representational election, Leo Nord told Cecil Snow that if the union won the election, the employer would take the rent-free apartments away from the janitors' helpers and charge the head janitors for the second bedroom in their apartments.

On January 30, the union lost the representation election 6 to 4. The union filed numerous charges of unfair labor practices, claiming that these violations had dissipated the union's majority status as established by the authorization cards. These violations, in the union's view, were so serious and widespread that they made a fair rerun election unlikely. The union requested that the company be ordered to recognize the union and bargain with the union on the basis of the prounion majority previously established by the signed authorization cards, which it had secured in early December 1975.

### Position of the Union

The union filed charges of unfair labor practices against the company, claiming that the company had violated Section 8(a)(1) of the LMRA by:

- a. Repeatedly interrogating employees concerning their union activities.
- b. Threatening employees with deprivation of benefits if the union should be elected to represent them.
- c. Threatening an employee for refusing to reveal the identities of employees who attended a union meeting.
- d. Informing an employee that it knew (or heard) the employee had joined the union.
- e. Promising to pay and paying employees for certain medical benefits to discourage them from supporting the union.

The union urged that the company should be found in violation of the act accordingly and ordered to cease and desist from these practices. Further, because the company's violations were so severe and pervasive, a valid union majority status had been dissipated, and it would be impossible to have a fair rerun election in the climate created by the company's actions. The union requested that the company should be ordered by the NLRB to recognize the union's majority status as of December 8, and to bargain with the union as the authorized representative of a bargaining unit of janitorial employees.

### Position of the Company

The company presented a number of contentions in urging that the union's charges be dismissed.

First of all, company management claimed that it was unaware of the telephone calls and other questioning of employees conducted by its former supervisor Larry Melton. Regardless, most of Melton's statements and questions to employees were not coercive, but they were legitimate inquiries necessary to determine whether the union had the majority status that it claimed. Melton never specifically threatened the employee George Thompson on December 9; his statement to Thompson was very vague and inconclusive.

Concerning the granting of improved sickness and health benefits in late December, the company contended that the improved benefits were part of the company's annual review of its benefit program. The company announced the change in benefits to coincide with the Christmas season, and this had nothing to do with the union's representational campaign.

The company pointed out that Larry Melton was terminated by the company December 24, and the election was not held until January 30, 1976. Thus Melton's influence on the election, if any, had "totally evaporated" and was no longer a factor. The statement of the new supervisor, Leo Nord, to the employee Cecil Snow on that day not constitute a threat, but it was a legitimate prediction and Nord's own personal opinion concerning what unionization logically would bring to the company. This was "speech" protected by Section 8(c) of the act.

Finally, the company claimed that even if the Board held that the company had violated the act in any way, such violations were minor and did not influence the outcome of the representational election, which the union lost. The union's claim to a majority status December, based on signed authorization cards, was never accepted by the company and verified by the NLRB. The union was promulgating charges against the company in an effort to gain representational rights after losing an NLRB election. The election was a determination of the majority of the employees' feelings, and the Board should allow the results of the election to stand.

### Discussion Questions

1. Evaluate the various claims made by the union and counterclaims made by the company regarding the charges of unfair labor practices. Which of the arguments are most persuasive?
2. Was the statement by Nord to Snow on the date of the representational election a threat or a legitimate prediction and personal opinion protected by the free speech provision of the act?
3. Was the company obligated to accept the union's majority status claim on the basis of the authorization cards submitted by the union?
4. If the company is found to have violated the act, what would be the appropriate remedy—a bargaining order or a new election?

Sources: Sterling H. Schoen and Raymond L. Hilgert (1989), *Cases in Collective Bargaining and Industrial Relations*, 6th ed. (Burr Ridge, IL: Irwin), pp. 94–97. Adapted from USX Corporation and the United Steelworkers Union, "Labor Agreement."

### Notes

1. Peter Cappelli (2008), *Talent on Demand: Managing Talent in an Age of Uncertainty* (Cambridge, MA: Harvard Business School Press).
2. P. Taft (1964), *Organized Labor in American History* (New York: Harper and Row), pp. 563–78.
3. *Commonwealth v. Hunt*, 45 Mass. 111 (Supreme Court of Massachusetts 1842).
4. Patrick J. Cihon and James Castagna (2001), *Employment and Labor Law* (Cincinnati: South-Western Learning).
5. Archibald S. S. Cox, Derick Bols, Matthew W. Finkin, and Robert Gorman (2001), *Labor Law* (New York: Foundation Press).
6. Kenneth Casebeer (1989), "Drafts on the Wagner Act," *Industrial Relations Law Journal*, Vol. 11, Iss. 1, pp. 73–131.
7. Ibid.
8. *National Labor Relations Board v. Jones and Laughlin Steel*, 331 U.S. 416 (1947).
9. American Federation of Labor–Congress of Industrial Organizations (AFL-CIO), <http://www.aflcio.org/about/meet-main.htm>.