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## Current State of Management/Union Relations in Hospitality Sector


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Labor management relations in the hospitality sector is an important aspect of effective management. Increasingly, unions are becoming proactive in organizing hospitality workers. This manifests itself in strikes, boycotts, picketing, sexual harassment complaints, and complaints to OSHA regarding safety and health workplace violations. This research monitors the current scene with respect to labor management relations and analyzes work issues that have been brought up for third-party resolution by NLRB staff or arbitrators. The study reports on 66 NLRB cases and 104 arbitration cases. Issues brought before the NLRB include mostly contract interpretations. In arbitration, there were mostly discipline issues, including work rule violations, disorderly conduct, poor performance and employee theft. Quite often, the proposed job action on the part of the employer was discharge. In NLRB cases, the employee usually prevailed, while in arbitration the employer usually prevailed.

## **Keywords**

Hospitality, union organizing, arbitration, NLRB, union relations, discipline

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By Helen LaVan and Marsha Katz

## ABSTRACT

Labor management relations in the hospitality sector is an important aspect of effective management. Increasingly, unions are becoming proactive in organizing hospitality workers. This manifests itself in strikes, boycotts, picketing, sexual harassment complaints, and complaints to OSHA regarding safety and health workplace violations. This research monitors the current scene with respect to labor management relations and analyzes work issues that have been brought up for third-party resolution by NLRB staff or arbitrators. The study reports on 66 NLRB cases and 104 arbitration cases. Issues brought before the NLRB include mostly contract interpretations. In arbitration, there were mostly discipline issues, including work rule violations, disorderly conduct, poor performance and employee theft. Quite often, the proposed job action on the part of the employer was discharge. In NLRB cases, the employee usually prevailed, while in arbitration the employer usually prevailed.

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## INTRODUCTION

Management/union relationships in the hospitality sector are in a current state of revitalization. There are a number of reasons why the relationships can be characterized as revitalized: 1. Significant growth in workers needed in the hospitality sector will result in workers being more selective in their choice of employers. 2. Union organizing is increasingly militant and successful. 3. There are strikes, often wildcat strikes, and boycotts. 4. In response, management and unions in the sector are cooperating using neutrality agreements and corporate campaigns. 5. Low wage workers in the sector are vulnerable to health and safety problems in the workplace, which can be an impetus to organizing. 6. Third party arbitration is used to resolve workplace conflicts.

The hospitality sector is growing in the United States. Since 2002, the sector has grown approximately twelve percent while the rest of the economy has declined (Bureau of Labor Statistics, 2012). Though the hospitality sector had a decline between 2008 and 2009, there has been rapid growth and employment growth has slightly exceeded the employment levels pre-downturn. According the Bureau of Labor Statistics (2012), the Food and Beverage Serving and Related Workers Sector is expected to grow approximately 12% from 2010 to 2020. In

general, jobs in the leisure and hospitality sector of the U.S. economy will grow faster than the overall economy (Singh, Hu, & Roehl, 2007). See Table 1 for current distribution of workers within the sector.

Furthermore, over 20% of U.S. workers were employed in the retail and leisure and hospitality sectors, the sectors employing the largest concentration of low-wage workers. Food services and drinking places (the major component of the leisure and hospitality sector) were projected to grow more than any sector between 2006 and 2016, with an estimated increase of more than 1 million jobs over that period (Franklin, 2007; Weil, 2009). Furthermore, union membership is in a decline in the traditional industries that unions have previously been dominant, such as manufacturing because of outsourcing, relocation etc.

#### *Union Organizing In the Hotel Sector*

Thus, the unions see the hospitality sector as a viable target for unionization (Sherwyn, Eigen & Wagner, 2006). In addition, the Hotel Employees and Restaurant Employee (HERE) and UNITE merged to create UNITE HERE. Their goal was to organize with a new method. They intend to increase their membership by neutrality agreements and card checks. In 2006, UNITE HERE implemented their new UNITE to Win strategy. At that time, Hilton nationwide, Hilton New York and some operators in Chicago settled. (Sherwyn et al, 2006). In a particularly aggressive campaign, which HERE entitled “Hotel Worker Rising”, hotels in certain cities have been targeted for organizing. These cities include Boston, Long Beach, Pittsburgh, Seattle, Toronto, and Washington, DC. HERE, which represents over 100,000 employees, includes the following hotels in its recent organizing successes: Omni New Haven and Hilton Boston (HWR, 2012).

#### *Union Organizing In the Restaurant Sector*

There have been recent reports of successful union organizing campaigns in restaurants. These include Hot and Crusty, a New York chain organized by an independent union -- Hot and Crusty Workers Association. This successful campaign was orchestrated in part by assistance from the Laundry Workers Center United. There were widespread labor violations, including overtime and minimum wage violations, non-compliance with health and safety codes, and sexual harassment and verbal abuse of female employees (Workers Win Historic Election, 2012).

Another organizing effort in the restaurant sector is a national campaign called Dignity at Darden. This campaign has the assistance of the Restaurant Opportunities Center in New York. The campaign is directed toward Darden, which is the world's largest full service restaurant chain. It includes restaurants with brands such as Capital Grille, Red Lobster, and Olive Garden. Workers have filed a class action lawsuit alleging wage theft, discrimination and poor working conditions (Workers Win Historic Election, 2012). There are also union

organizing efforts at Brick Oven Pizza and Palermo's Pizza--a manufacturer of fresh and frozen pizza (Pizza Company Feels Union Heat, 2012).

Unions have also targeted Starbucks and Jimmy John's are other restaurant chains that have been targeted for union organizing. The contention at Starbucks was that of low wages and unsafe working conditions. Starbuck workers have been organized by the Industrial Workers of the World. Recently, the union narrowly lost by two votes at Jimmy John's. There is no doubt that another union representation election will be held when it is allowable by the National Labor Relations Act (Smith, 2011).

The stance of unions has been that employers in the hospitality sector can be more successful with happy employees. Labor consultants agree and encourage employers to self-audit their restaurants, by checking diversity, wage and labor law and workplace safety conditions compliance. They also recommend enhanced communications with employees. They remind employers "that good employers who do right by their employees don't need a third party in their relationship" (Smith, 2011).

Furthermore, union organizing has taken a new approach. Unions are using traditional and social media, utilizing research and data, and working with religious and educational institutions in protesting and lobbying. Critics state that unions are not adverse to in intimidation or utilizing/manipulating facts in their favor (Smith, 2011).

#### *Union Tactics: Strikes*

On one hand, the incidence of strikes seems to be deceivably low. The Department of Labor Bureau of Labor Statistics only tabulates work stoppages if they involve more than 1,000 workers. Most hotel properties have fewer than 1,000 workers, and strikes at these properties are not officially tallied. Hence, officially there was only one hotel strike in 2010, against Hilton Hawaiian Village, lasting for five days. The Bureau of Labor Statistics did not officially count other strikes against Hilton, occurring at the same time, but at smaller properties and for fewer days. Many hotel strikes are not predictable, but can have a decidedly disruptive effect on operations and reservations. Additionally, these strikes can be viewed repeatedly on YouTube, in case one missed viewing the strike the first time. Videos regarding these strikes are available on YouTube:  
[http://www.hotelworkersrising.org/video/?video\\_id=43](http://www.hotelworkersrising.org/video/?video_id=43) and  
[http://www.hotelworkersrising.org/video/?video\\_id=41](http://www.hotelworkersrising.org/video/?video_id=41). However, in terms of the Department of Labor, these strikes did not occur or did not have a sufficient impact.

A common tactic that the unions used to exert pressure is to issue a warning of possible strikes. For example, in 2009, UNITE HERE Local 1 brought pressure by publicizing that possible strikes could disrupt events at five downtown Chicago hotels (Wernau, 2009).

Workers have struck for a variety of reasons. They strike for issues related to compensation. For example, workers at Hyatt Chicago struck because they did not want to settle for the same compensation package as the union had settled on in other Chicago hotels. Workers were also concerned about the treatment/overwork of housekeepers and the outsourcing of jobs to temporary workers. The union also desired a check card neutrality agreement.

Unions in San Francisco, LA and Washington, D.C. are coordinating strikes to put pressure on national chains in contract negotiations. Given a history where hotel workers in each city have generally fought individual battles against the multinational hotel chains, this is an impressive increase in aggressiveness in its national strategy. However, the real power of the move is that a key demand of negotiations in each city is for a two-year contract (Mitchell, 2007).

### **Strike Avoidance**

There is variety of tactics used in the process of negotiation and in attempts to avoid strikes. These can be categorized broadly as labor peace agreements. One approach is to attempt to organize companies from the top down. Pressuring company ownership and management to agree to union demands before even approaching employees in the negotiation process is one method of attaining this. One type of labor peace agreements is a neutrality agreement. In these types of agreements, the company agrees not to oppose future unionization efforts, either at a particular property or perhaps nationwide. These agreements can be strict, requiring the company do nothing at all, to more limited ones, in which the company is allowed to express its opinion. In the former type, the company also allows union organizers access to the property, and perhaps provides the union with a forum to persuade employees to support the union. In the latter, more limited agreements, the company can correct misstatements of the union, respond to union provocations, or gives the union representative equal time (Mitchell, 2007).

Card check agreements, another form of a neutrality agreement, requires the company to recognize the union based on authorization cards alone. There is no union campaign and no secret union ballots.

While UNITE HERE is trying to expand its base, other forces are trying to avoid unionization. Many consultants have developed union prevention programs. Some go as far as giving a money back guarantee that they will be successful in keeping out unions. Many of these consultants specialize in various industries including the gaming and hospitality sector (Logan, 2006).

### **Boycotts**

Employers have been using the economy as an excuse to eliminate jobs in the hotel sector, leaving many unemployed and creating unsafe working conditions for those who remain. As the economy improves, unions are intensifying their organizing efforts. As a part of union organizing tactics, unions

have been using boycotts of certain properties. An integrated strategy of boycotting is entitled “Hotel Workers Rising”. The union has identified hotspots, cities in which hotels have been targeted for organizing. These cities include Anchorage, Boston, Chicago, Honolulu, Indianapolis, Long Beach, Providence, San Antonio, Los Angeles, Northern Virginia, Phoenix, Scottsdale, Pittsburgh, San Diego, San Francisco, Seattle, Toronto, Vancouver, and Washington DC (HWR Hot Spots, 2012).

The union has provided on its website the list of those individuals and organizations who have pledged to honor Hyatt boycotts called by workers at Hyatt properties nationwide. More than 3,000 individuals and organizations have already agreed not to do business with boycotted Hyatts.

Additionally, the union has on its website a list of targeted properties that should be boycotted. This list includes properties from most chains of hotels, including Hilton, Doubletree, Hyatt, Le Meridien, Marriott, Travel Lodge, Holiday Inn, Sheraton, Westin, and Tropicana. In addition, there is another list of boycotted hotels, which are entitled risk of dispute hotels. Risk of dispute is defined as there are current or looming labor disputes (Boycott List, 2012).

Currently, the Union has labeled Hyatt as the worst employer in the sector. They have sent out notices to event planners with the following note:

“Avoid Hyatt . . . protests nationwide that have been known to create problems for events and attendees. Furthermore, [thousands around the country have pledged to honor the boycott](#) and would refuse to attend an event held at a Hyatt. These include women’s groups, academics, elected officials, Jewish and other faith leaders, medical professionals, and nonprofit organizations are just some of the communities that have pledged support. . . Hyatt workers in several cities around the country have gone on strike multiple times—[including for an entire week in September 2011](#)—but the Hyatt labor dispute has also gone beyond formally declared strikes. Picket lines of hotels to urge a boycott can (and often do) happen *without* a strike or lockout. These actions can dramatically affect the quality of service, and can create an uncomfortable atmosphere for guests and attendees. Often, having an event in the middle of a labor dispute will adversely affect attendance. . . The best protection for your event is avoiding Hyatt.” (Hyatt, 2011).

This tactic is a shift from 2004, when there was a widespread union strike, followed by a lockout by employers. That shutdown, plus a two-year boycott, severely affected San Francisco’s tourism sector, which is one of the largest tax-revenue generators for city coffers (Aldax, 2009).

An example of a successful boycott was the American Sociological Association’s boycott of the Chicago Hilton and Palmer Hilton hotels in 2011. More than 5,000 people were expected to attend the conference, which was

relocated. "Our members have been concerned that we meet in hotels where workers are treated properly in terms of wages and other working conditions," stated Sally Hillsman, the Association's executive officer (Wernau, 2010).

### *Neutrality Agreements and Corporate Campaigns*

There is a variety of reasons why hotels agree to labor peace agreements, rather than enduring a strike or boycott. These include the fact that the union may have a credible threat of a strike or a boycott, which may be seriously affecting the company's business. There are many locations, including San Francisco, Chicago, and New York, which are much more pro-union than other parts of the country. Politicians in these locations, either at the local or national level, may be able to put pressure on employers to deal favorably with the unions. City councils may pass local ordinances requiring employers who do business with the city to recognize unions and/or deal favorably with them (Mitchell, 2007).

Employers may actually seek out the union for various business reasons. For example, unions are able to steer major conventions towards or away from certain localities. Employers in the gaming sector may find certain localities hostile to the establishment of a casino. Unions can be helpful in overcoming this resistance, by enumerating the number of new jobs that the casino may create. Alternatively, unions may offer direct financial assistance to certain properties, including financing new construction.

In addition, there is the tactic of a corporate campaign. A corporate campaign is a situation in which the unions persuade the Board of Directors, shareholders and/or other managers to adopt favorable policies towards unions in order to avoid negative publicity and boycotts. This also can have a positive effect on non-unionized employees. Unions may also put pressure on banks and other third parties who are friendly to it, to cease doing business with the particular targeted properties.

It is difficult to get information regarding corporate campaigns, since they tend to be private, often unwritten arrangements. One exception is Sodexo, a food service provider. It lists its relationships with every major union in the United States and Canada. Included in this list is HERE, which is the union assertively organizing hotels. This company administers over 300 union contracts. It also publicizes its collaboration with unions to benefit communities and customers (Labor Union Fact Sheet, 2012).

Strikes, boycotting and picketing are bad for business. Most people do not want to cross a picket line. The Congress Hotel in Chicago is a classic case. There has been picketing outside the hotel by UNITE HERE for quite a few years. "I wish I had known beforehand about the labor situation. I never cross picket lines." Customer comment, 2005).

In addition, these kinds of conditions, may keep good potential employees away. Since the employment trend in the hospitality sector is an



increase in the number of jobs available, there will be increased competition for skilled managers and employees. Staff may consider leaving for new opportunities that have better working conditions and/or higher pay, with less chance of conflict (Rose, 2012).

## **Worker Health and Safety in the Hospitality Sector**

### *Worker Health and Safety in Hotels*

Hotel housekeepers, in particular, are coming forward to share concerns about security problems and injuries that they sustain in their workplaces. Ninety-one percent of housekeepers reported having suffered work-related pain. Studies show that hotel workers have an injury rate that is 25% higher than experienced by all other service workers. Cleaning hotel rooms can lead to debilitating injuries, requiring surgery, physical therapy, or disability (Hotel Workers Rising, 2012).

OSHA recently warned Hyatt about housekeeper injuries in a letter stating what steps Hyatt has to take to reduce housekeeper injuries. The U.S. Occupational Safety and Health Administration (OSHA) has issued [a formal Hazard Alert Letter](#) to Hyatt Hotels, notifying the company of ergonomic risk factors faced by housekeepers in the course of their daily work. The letter recommends steps for Hyatt to take to reduce the ergonomic strain of housekeeping labor. The Hazard Letter concludes an OSHA investigation by of Hyatt properties nationwide, which was instigated by a major filing of injury complaints against the company in eight cities in 2010 (Hyatt Hurts, 2012).

This letter delineated safety practices with respect to room cleaning, bed making, and housekeeping stressors. The Hazard Alert Letter recognized the dangers of housekeeping work and identified simple remedies that Hyatt can implement across its U.S. operations. Remedies suggested include the use of long-handled mops and fitted sheets, to minimize the amount of bed lifting and straining housekeepers do daily.

The response of workers, according to one housekeeper is “For years, we have asked Hyatt to make simple changes that would ease the toll on our bodies,” says a housekeeper at the Grand Hyatt in San Antonio, who has been injured cleaning rooms. “Now our voices are being heard, and the federal government is joining us in calling on Hyatt to make our jobs safer.”

OSHA however did not consider the conditions sufficient to meet the evidentiary threshold case under the general duty clause, in which an employer has a general duty to protect workers in the workplace. Importantly, OSHA outlines Hyatt’s responsibility to record worker injuries. In what might be viewed as a union substitution/avoidance strategy, Hyatt proposed to form an OSHA -- Hyatt alliance, in which OSHA and Hyatt work together to address ergonomic risk factors in the sector.

## Sexual Harassment

In a study of sexual harassment charges filed with the EEOC, in a variety of industries, 14.3% of female and 2.8% of male leisure and hospitality workers experienced sexual harassment (Hersch, 2011). While this is not the highest rate for sexual harassment by sector, the sheer number of harassed workers is significant.

In a widely publicized case, the alleged sexual assault of a housekeeper in the Sofitel Hotel in New York has brought attention back to sexual misconduct sometimes experienced by housekeepers. The housekeeper, backed by the union, reported the assault by Dominique Strauss Kahn, a prominent individual. Other housekeepers are coming forward to share their experiences and to launch a campaign to publicize sexual misconduct. There were numerous incidents of picketing to publicize the sexual harassment of housekeepers. Hence, this percent of reported sexual harassment could actually increase (Housekeepers Are Organizing for Safe and Secure Workplaces, 2012).

### *Worker Health and Safety in Restaurants*

Health and safety issues and wage and hour violations can be rallying points for union organizing in restaurants. According to a report issued by the Brennan Center for Justice (2007), there are numerous health and safety violations in restaurants. OSHA violations occur mainly in kitchens and include electrical dangers, inadequate fire safety, lack of cutting guards on machines, lack of slip mats, and lack of required ventilation. Wage and hour violations include failure to pay minimum wage and overtime and failure to compute the relationship between wages and tips correctly. There are also incidents of illegal deductions, nonpayment of wages altogether, and failure of the employer to pay payroll taxes or provide workers compensation insurance. Threatened retaliation to complaints about working conditions and attempts to organize include threats to call immigration, punishing the worker with poor schedules and retaliatory firing.

### *National Labor Relations Board*

The National Labor Relations Board (NLRB) is an independent federal agency, whose role is to safeguard employees' rights to organize and bargain collectively with unions whom they choose. The agency also acts to prevent and remedy unfair labor practices committed by private sector employers and unions (NLRB: What We Do, 2012). Some of the issues that the NLRB typically deals with besides organizing are pay, working conditions, and to fix job-related problems (NLRB: Protected Concerted Activities, 2012). Some of these issues are particular to the hospitality industry are issues such as smoking (Graff, 2008) and the conflict between seniority and other bargaining agreement could create a conflict between the protections of the NLRB and the protections of the ADA (Donnelly & Joseph, 2012).

## *Arbitration*

Though a small percentage of the total work force, unions play a major role in monitoring workforce conditions (Weil, 2009). Traditionally, employee conflicts have been settled through a variety of means, especially in unionized settings. Most union contracts have grievance procedures, which help resolve those workplace conflicts, when informal procedures fail. More than ninety percent of collective bargaining agreements between labor and management contained arbitration clauses (Gould, 2006). Only 19% of non-union firms have arbitration agreements (Dau-Schmidt & Haley, 2006; Gould, 2006).

Thus, non-unionized employees, seeking redress, would have to revert to the judicial system for external resolution. Employees represented by a union do not have to find or pay for their own lawyer, nor do they need to worry about whether they will be able to recoup their legal expenses. Union officials are available to help employees assert their rights. In addition, usually cases are settled much sooner in arbitration than through the legal system (Yelnosky, 2007).

Appearance of employees in the hospitality sector is a major concern. The hospitality sector focuses more than most on employee appearance. Yelnosky (2007) noted the National Labor Board affirmed that appearance codes are mandatory subjects of bargaining. In addition, some unions successfully challenged discipline or discharge for failure to adhere to an appearance code under the just cause provision of their collective bargaining agreement. Another appearance issue that a union has successfully challenged was a company's no-beard rule. Other areas that arbitration has addressed in the hospitality sector are related to discrimination, hiring, not paying equal pay for equal work, ability to perform work, pregnancy issues, preferential treatment, hostile-work environment, disabilities and sexual harassment (Diltz & Samavati, 2007; Sherywn, 2010).

## **Methodology**

The current research investigates the types of issues that have been resolved by either the NLRB or by arbitration. The issues were identified by reviewing existing literature. The objective of the study is to discern which issues actually result in third party resolutions. Subsequently, it should lead to the minimization of third party resolutions in the future. The circumstances under which management prevails are also discussed.

## **Methodology**

Data were collected on 170 actual, published NLRB and arbitrated cases in the hospitality sector. There were 66 NLRB cases and 104 arbitrated cases. Three different sources provided the cases: These sources were Bureau of National Affairs, American Arbitration Association and IntelliConnect. The NLRB cases provided information on union organizing and contract interpretation issues. The arbitration cases contain information on individual

behaviors, although some arbitration cases also contained contact interpretation. What was of primary concern was the types of behaviors and proposed job actions on the part of management. Case outcomes were also analyzed. The cases were from the years 2001 to 2010.

**Results**

Disputes in the workplace can be settled through the NLRB, if they involve challenges to the National Labor Relations Act. Cases in the hospitality sector brought before the NLRB between the years 2001 and 2010 were analyzed and the results are portrayed in Table 2.

**Table 1  
Number of Represented Employees in the Hospitality Sector**

Occupation and industry	Total Employed 2011*	# of Members		Represented by Unions	
		Number*	Percent	Number*	Percent
Arts, entertainment, and recreation	2,107	111	5.3	121	5.7
Accommodation and food services	9,247	194	2.1	224	2.4
Accommodation	1,350	96	7.1	105	7.8
Food services and drinking places	7,898	98	1.2	119	1.5

Note: \* In thousands

The distribution of NLRB cases in the hospitality sector is as follows: hotels 35, restaurants 14, casinos 10, food services 10, and resorts nine. The proposed actions are as follows: 18 involved discharge, four involved suspension, and two involved other discipline. NLRB cases tend to involve group rather than individual issues. Fifty-one of the cases involved group issues whereas only 11 involved individual issues. Essentially most cases involved contract interpretation. Unlike the arbitration cases, in which the employer prevails frequently, in NLRB cases the employee mostly prevailed. In our study, the employer prevails in only eight cases, the employee prevails in 40 cases and there were split decisions in 17 cases.

**Table 2**  
**NLRB Cases N = 66**

Hotel		35
Restaurant		14
Casino		10
Food Service		10
Resort		9
Cruise		0
Proposed job action		
Discharge		18
Suspension		4
Discipline		2
Docking of pay		0
Change of job		0
Individual vs. group issue		
Individual		11
Group		51
Contract interpretation		
		55
<u>Outcome</u>		
	Employer	8
	Employee	40
	Split	17

In Table 3 is portrayed the types of behavior which resulted in arbitration. Challenges to the contract versus discipline of an individual or group of employees occurred in 63 cases. There were 75 contract challenges. This total is more than the 104 cases in the sample since some cases involved both discipline and challenges to the contract.

With respect to the discipline cases, work rule violations accounted for 28 cases. Disorderly conduct accounted for 20. There were 16 cases of poor performance and nine arbitrated cases of employee theft. Other types of behavior with smaller numbers of incidents include insubordination, drinking on

the job, assault and battery, bullying, discrimination, failure to report, smoking and overcharging customers.

With respect to arbitration cases involving contractual issues, 61 cases involved challenges to the grievance process, 23 cases involved management rights and 21 cases involved the computation of wages. In most of the cases reaching arbitration, the proposed job action on the part of the employer was discharge. This occurred in 54 of the cases. In an additional 11 cases, the proposed job action was suspension. Discipline, change of job, or docking of pay occurred in a small minority of the arbitration cases. Arbitration outcomes appear in table 3.

**Table 3**  
**Types of Arbitrated Issues and Case Outcomes N=104**

<u>Types of Behavior In Arbitration Cases</u>	
Work rule violation	28
Disorderly conduct	20
Poor performance	16
Theft	9
Insubordination	6
Drinking on job	5
Assault and battery	4
Bullying	2
Discrimination	2
Failure to report	2
Smoking	2
Overcharging customers	1
<u>Proposed Job Actions</u>	
Discharge	54
Suspension	11
Discipline	7
Change of job assignment	4
Docking of pay	2

Employer Prevailing By Issue

Contract Issues

- Seniority--78%
- Benefits—not health or pension--67%
- Grievance process--63%
- Hours and overtime--50%
- Management rights--41%
- Wages--38%
- Health and pension—No disputes in our sample

Discipline Issues

- Poor performance--100%
- Disorderly conduct--70%
- Work rule violation--52%

<u>Outcome</u>	Employer	56
	Employee	28
	Split	19

Just how did management fare in the arbitration cases? The analysis indicates seniority outcomes were in favor of the employer in the 78% of the cases, benefits in 67% of the cases, the grievance process 63% of the cases, and hours and overtime 50% of the cases. Management was less likely to prevail when the contract issue related to management rights or wages. With respect to poor performance, management prevailed 100% of the time. It prevailed 70% of the time with respect to disorderly conduct and 52% of the time with respect to work rule violations. With respect to case outcomes overall, the employer prevailed in 56 of the arbitration cases, the employee in 28 and the decisions were split in 19 cases.

**Main Contributions to Managerial Practices**

The study contributes in two important ways: theoretical and practical. It adds to knowledge regarding how conflicts are resolved in the hospitality sector in the United States. It highlights what laws and what issues are resolved by either arbitration or litigation of such conflicts. .

There are important implications for managerial practice, in that while unionized employees only constitute a very small proportion of the hospitality industry, these employees may strike and otherwise hamper operations. The impact that these employees can have on customer service is not calculable. When unionized employees strike, these strikes are large and well publicized. It is likely that hospitality sector employees are the target for future organizing in that it is a relatively low paid, unskilled workforce. If employers know the types of employee concerns, good management practices would dictate that they would address them before there is the intervention of a third party, such as a union organizer or arbitrator.

The analysis suggests that when there are bases for discipline/discharge, arbitration will be the appropriate venue, assuming they cannot be resolved without third party intervention. For example, incidents of theft, insubordination, failure to report, work rules violations, and drinking tend to be resolved in favor of management. The research also includes contract interpretations, which were grieved. Knowing which contract provisions were problematic will enable the formulation of improved contracts in unionized work settings. Additionally, managers in unionized or non-unionized settings can avoid such employee relations issues in the future by having well-written policies, documenting appropriate and non-appropriate behaviors.



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