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Evolution of administrative practices in American unions: results from a 20-year study

This article provides insight into the internal administrative policies and practices of labor organizations. These administrative policies and practices are rarely considered in discussions about how unions have changed and adapted to remain relevant and effective. On the basis of surveys of national unions conducted in 1990, 2000, and 2010, study results of union administrative practices are reported. The findings suggest that over the last 20 years, unions have increasingly adopted more formal and systematic budgeting, strategic planning, program evaluation, and human resource policies and practices and have benefited substantially from the implementation of these practices.

Lois S. Gray
lsg7@cornell.edu

Lois S. Gray is professor of labor management relations, New York State School of Industrial and Labor Relations, Cornell University, Ithaca, NY.

Paul F. Clark
pfc2@psu.edu

Paul F. Clark is director and professor of the School of Labor and Employment Relations, Penn State University, State College, PA.

Paul Whitehead
pvw11@psu.edu

Paul Whitehead is professor of practice of the School of Labor and Employment Relations, Penn State University, State College, PA.

For many decades, American unions have faced an increasingly difficult environment that has caused steady declines in their membership.[1] To address these challenges, unions have actively searched for new and innovative approaches to political action, organization of new members, and member mobilization. Some have undergone restructuring, and many have reached out to other unions and to like-minded organizations, both nationally and internationally, to form alliances. Observers both inside and outside the labor movement have analyzed these efforts and their effectiveness.

This article examines a less frequently studied part of union life, namely, the extent to which unions are improving their internal administrative policies and practices. The article investigates how unions conducted their internal operations with respect to human resources, budgeting, and planning—together, the kinds of activities that make organizations everywhere more effective.

Administration, in any organization, is the set of practices and procedures through which work is done. The tools of administration in most modern organizations include

- the budgeting of income against projected expenditures, with detailed attention toward funding priority goals;
- strategic planning to assess the environment and set an overall course;
- the evaluation of programs to correct course and enhance desired results; and
- the management of human resources, such as recruiting and hiring qualified personnel, establishing policies and performance expectations, and rewarding employees to achieve maximum effectiveness.

In 1990 and 2000, two of the coauthors of this article asked U.S.-based national and international unions to complete surveys about their organization's administrative practices. In 2010, the authors of this article again asked these unions to complete a similar survey. The results of the 20-year study provide unusual insight into the internal operations of unions. This article reports the most substantial findings of the surveys regarding the budgeting, strategic planning, program evaluation, and human resource management practices in labor organizations.

Data collection

In 1990, questionnaires were mailed to all 110 American-based national and international unions. Forty-eight unions completed and returned the survey for a response rate of 44 percent. In 2000, a similar questionnaire was sent to 88 national and international unions (U.S. unions), all of which received surveys in 1990 (the drop in the number of unions receiving the survey is the result of mergers). Fifty-two percent (46 of 88) of the unions completed and returned the survey. And in 2010, 62 national and international unions received the survey; 36 of the unions, or 58 percent, returned completed surveys. Each of the three surveys inquired about budgeting practices, strategic planning, program evaluation, and human resource policies and hiring practices.

Of the 48 responses to the 1990 survey, 37 unions identified themselves. Membership of the 37 unions totaled 9.64 million, which represented 57.7 percent of that year's total membership in U.S. unions.[2] In 2000, 35 of the 46 unions responding identified themselves. Membership of the 35 unions totaled 11.38 million, or 69.8 percent of the total U.S. membership in that year.[3] In 2010, 33 of the 36 respondents were identified. Membership of the 33 totaled 10.5 million, or 71.4 percent of the total U.S. membership.[4] Note that these figures underreport members in the sample because several unions responding to each survey did not identify themselves and were not included in the calculations.

To determine the representativeness of the respondent sample by sector, we broke down the respondent unions for each of the three samples by the primary industry in which their members were employed. (See table 1.) The proportion of each sector in the sample as a whole was compared with the distribution of unions across sectors in the overall labor movement. The results indicate that the sector distribution of the sample generally represented the sector distribution of the unions within the labor movement. This comparison, along with the large number of unions in the three samples and the substantial percentage of overall U.S. union membership they included, suggests that the samples generally represented the labor movement as a whole.

Table 1. Percentage of unions by industry sector in sample and in overall labor movement, 1990, 2000, and 2010

Sector	1990		2000		2010	
	Sample	Overall	Sample	Overall	Sample	Overall
Industrial or manufacturing	25	31	15	19	17	18
Building trades	8	15	19	19	22	18
Transportation	17	18	19	17	19	22
Office or professional	12	7	4	2	0	3
Public or government	17	12	17	19	25	19
Service	15	10	7	11	3	7
Entertainment or sports	6	8	17	14	14	12
Total *n*	48	94(1)	46	81(1)	36	72(1)

Notes:

(1) The overall category consists of all national or U.S.-based international unions with over 10,000 members listed in C. D. Gifford's *Directory of U.S. labor organizations* (Washington, DC: Bureau of National Affairs, 1991, 2001, 2011) for the designated years. *n* = sample size.

Source: Authors' calculations based on results of surveys and on data from D. C. Gifford's *Directory of U.S. labor organizations*.

Historical background

In the early 20th century, many labor unions were organized as loose-knit associations of working people with a staff of volunteers, most of whom lacked professional training in the management of organizational resources. By the 1950s, unions had grown to large organizations with significant annual revenues, many full-time employees, and operations of national and even international scope. Nonetheless, in the 1970s and 1980s, academic observers such as Derek Bok and John Dunlop pointed out that U.S. unions rarely engaged in the budgeting, strategic planning, program evaluation, and human resource management practices that characterized other organizations (government, business, and nonprofit).[5] Subsequent studies, including those by Clark and Gray in the 1990s and 2008, documented the evolution of union administrative practices.[6]

Findings

General administrative practice. Each iteration of the survey focused on the budgeting, strategic planning, and program assessment practices of unions. As reflected in table 2, 65 percent of the union respondents in the 1990 survey indicated that they developed an annual budget with planned expenditures by function or department. The percentage of respondents increased to 76 percent in 2000 and to 80 percent in 2010.

Table 2. Percentage of union respondents adopting general administrative practices, maintaining human resource policies for headquarters and field staff, maintaining certain hiring policies, using outside consultants, and having unionized staff, 1990, 2000, and 2010

Survey topics of union respondents	1990	2000	2010
General administrative practices			
Developed an annual budget	65	76	80
Employed a formal strategic planning process	40	67	70

See footnotes at end of table.

Table 2. Percentage of union respondents adopting general administrative practices, maintaining human resource policies for headquarters and field staff, maintaining certain hiring policies, using outside consultants, and having unionized staff, 1990, 2000, and 2010

Survey topics of union respondents	1990	2000	2010
Had a systematic evaluation process for planned activities	22	50	71
Written human resource policies for headquarters staff			
All formal policies (mean)	38	49	51
Equal opportunity or affirmative action	46	59	58
Discipline and discharge	50	65	78
Hiring	42	48	61
Performance appraisal	33	50	33
Promotion	31	35	42
Salary review	35	37	39
Training	29	46	47
Written human resource policies for field staff			
All formal policies (mean)	34	45	50
Equal opportunity or affirmative action	42	54	56
Discipline and discharge	42	60	75
Hiring	40	41	56
Performance appraisal	25	41	33
Promotion	27	33	42
Salary review	35	37	39
Training	29	46	47
Hiring and consulting policies			
Made current membership a qualification for appointment to headquarters staff	38	16	22
Hired headquarters staff who have previously worked at another union	83	76	84
Hired field staff who have previously worked at another union	55	66	72
Hired headquarters staff who have no previous experience working for a union	—	80	89
Hired field staff who have no previous experience working for a union	—	56	50
Viewed college degrees for headquarters staff as very or somewhat important	—	80	83
Viewed college degrees for field staff as very or somewhat important	—	58	51
Outside consultant services unions used			
Computer services	69	83	80
Economic analysis	35	43	34
Financial planning	25	30	37
Health and welfare benefits	46	43	54
Personnel recruitment	10	23	17
Public relations	52	59	49
Training	35	50	31
Organizational analysis	29	46	21
Staff union-represented			
Headquarters	—	—	75
Field	—	—	44
Total *n*	48	46	36

Notes: Dash indicates these data were not collected for this year. *n* = sample size.

Source: Authors' calculations.

The results of the survey also indicate that an even greater increase occurred in the percentage of unions that employed a formal strategic planning process focusing on the future activities and work of the union. In 1990, only 40 percent of unions responding to the survey indicated that they had a planning process in place. In 2000, this figure increased to 67 percent. And in 2010, 70 percent reported that they engaged in strategic planning.

In addition, unions were asked whether they evaluated their programs and initiatives. The data indicate that they have been increasingly doing so. In 2010, 71 percent of unions responding to the survey indicated that they had such an evaluation process in place, up from 50 percent in 2000 and 22 percent in 1990. These percentages more than tripled over 20 years and illustrate the progress unions have made toward adopting a more systematic approach to organizational administration.

Management of human resources and hiring practices. On average, over the last 20 years, unions have increasingly adopted more formal, systematic human resource policies. The survey asked respondents whether they maintained written policies in seven areas of human resource management: equal employment opportunity, discipline and discharge, hiring, performance appraisal, promotion, salary review, and training. Table 2 indicates the percentages of unions maintaining such policies over the 20-year period for professional headquarters and field staff.[7] Among all unions, the percentage of those having formal policies for professional headquarters staff—when averaged over the seven human resource areas—increased from 38 percent in 1990 to 49 percent in 2000 and to 51 percent in 2010. For 5 of the 7 individual policies, the percentage of unions having formal policies for headquarters staff steadily increased for each 10-year period. In another policy area, the percentage increased between 1990 and 2000, but fell to the same level in 2010 as in 1990.

Table 2 indicates similar growth in the percentages of unions having formal, systematic human resource policies for field staff. Over the 20-year period studied, the percentage of all unions having formal human resource policies for field staff—when averaged over the seven areas listed in table 2—increased from 34 percent in 1990, to 45 percent in 2000, and to 50 percent in 2010. The percentage of unions adopting formal policies for professional field staff increased between 1990 and 2010 for all seven individual areas of human resource management.

In written policies that respondent unions adopted, the human resource management areas that they most frequently addressed were equal opportunity/affirmative action, discipline and discharge, and hiring. In 2010, more than half of all reporting unions had formal policies on these topics for both headquarters and field staff. For discipline and discharge, a key issue in staff supervision, the percentage of adopting unions reached 78 percent for headquarters and 75 percent for field staff. Over the 20-year period, the percentage of unions with formal promotion policies increased notably. Formal policies on performance appraisal, a sensitive subject for union officials (as reported in our interviews), increased from 1990 to 2000, but dropped back in 2010 when only a third of the respondents reported having such a policy.[8]

Both the 1990 and 2010 surveys included questions that asked unions whether they had a personnel or human resources director and/or department to handle internal personnel matters. In 1990, only 44 percent of the respondents indicated that they had such a position or department. By 2010, this figure grew to 54 percent. This increase is consistent with the trend toward written policies (see table 2).

Each iteration of the survey examined the hiring practices of unions. In the 1970s, most labor organizations adhered to a “hiring from within” policy that only drew from applicant pools of members. As shown in table 2, 38 percent of unions in 1990 required that applicants for headquarters positions come from the ranks. By 2000, that

figure fell to 16 percent, and although it rose to 22 percent in 2010, it was nonetheless more than 40 percent below the 1990 level.

Complementing this trend, the results of our three surveys found a growing number of unions hiring from outside their ranks. Over the 20-year period, the percentages of unions hiring field staff from other labor organizations grew from 55 percent in 1990, to 66 percent in 2000, and to 72 percent in 2010. For headquarters positions, 83 percent of unions recruited from other labor organizations in 1990, 76 percent in 2000, and 84 percent in 2010.

The 2000 and 2010 questionnaires also asked whether unions were willing to hire from outside the labor movement altogether. In 2000, 56 percent of unions did so for field staff; this figure fell to 50 percent in 2010. In 2000, 80 percent of unions recruited individuals with nonlabor backgrounds for headquarters positions. By 2010, the figure had increased to 89 percent. Taken together, these findings point to a growing union openness to "outside talent," a development that suggests a substantial cohort of professional unionists has emerged. Additional evidence of professionalization of union staff work is shown in the survey's report on the growing importance given to education as a criterion for hiring (stronger for headquarters than field staff, but important for both), with many unions financially supporting staff education. As shown in table 2, in both 2000 and 2010, just over half of the union survey respondents considered a college degree "somewhat" or "very" important for new field staff (the 1990 survey did not include questions about this topic). Unions saw this requirement as even more important for headquarters staff. In both 2000 and 2010, 4 out of 5 unions viewed a college diploma as similarly important.

The 1990 union administrative practices survey also found that many unions hired outside consultants to supplement the expertise of in-house staff. The results suggest that unions continue to use consultants in many areas. Specifically, the surveys asked about the use of consultants in the eight areas shown in table 2: computer services, economic analysis, financial planning, cost containment in the pension or health programs for the union's own employees, personnel recruitment, public relations, training, and organizational analysis. A comparison between 1990 and 2010 indicates that in four areas, unions have increased their use of consultants, and in four areas, they have decreased their use. For those unions who in the past turned to outside consultants for certain skills, followup interviews indicated that unions still require the skills but seek to reduce their costs by developing in-house capacity.

Discussion

The survey data suggest that unions are increasingly adopting more formal, systematic, and professional administrative practices. Interviews with union officials and observations by other researchers suggest that both external and internal pressures have caused American unions to seek ways to become more effective and efficient.[9] The primary impetus comes from shrinking resources in the midst of a difficult political and economic environment.[10] Against a backdrop of several decades of declining union density in the United States, labor organizations can be seen turning to modern tools of management as a necessary response to the effects of membership loss. The declining membership dues base that many unions have experienced has focused attention on budgets, strategic planning, program evaluation, and new ways to recruit, employ, and multiply the impact of human and financial resources.

Other external pressures facing modern unions that affect human resource practices include legislative mandates, for example, equal opportunity employment laws, legal and social proscription of sexual harassment in the workplace, and family and medical leave requirements. Changes to the Labor-Management Reporting and Disclosure Act reporting requirements with respect to expenditures also may have had an impact.

In the case of budgets, the findings suggest that, as recently as 1990, 35 percent of the unions responding to the survey did not employ an annual budget with planned expenditures by function or department. Administering a union that operates nationally, or even internationally, without a formal budget process would greatly reduce the capability of that union to efficiently use its financial resources. Apparently, unions have increasingly recognized the need for budgeting, because between 1990 and 2010, the percentage of unions not using formal budgeting had fallen from 35 percent to 20 percent.

The absence of strategic planning or a process to evaluate programs and initiatives would similarly reduce a union's organizational effectiveness. The survey indicates that, in 1990, only 40 percent of unions engaged in strategic planning and 22 percent employed program evaluation. Twenty years later, 7 out of 10 unions employed strategic planning and 71 percent systematically evaluated their programs and initiatives. Certainly, employing a formal process in deciding the union's mission, values, and goals and allocating resources to pursue those ends are improvements over the somewhat ad hoc decisionmaking that occurs in the absence of such a process. These planning practices, especially when combined with a formal budget process and assessment of programs, likely allow unions and union leaders to more effectively use the declining resources available to them in 2010.

In addition, the implementation of more formal, systematic human resource management practices has allowed unions to improve the effective use of one of their most important assets—their professional staff. The data suggest that many unions have expanded the pool from which they hire both professional headquarters and field staff. This finding means that unions can potentially increase the range of talents and backgrounds of their staff and, again, more effectively use the financial resources at their disposal. And the increasing use of formal human resource policies might facilitate the attracting and retaining of outside talent.

Innovations in administration have also been encouraged by labor's national federation, the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO), and the example of other unions. For many years, the meetings of the AFL-CIO executive board and its standing committees have provided a useful, if informal, forum for union leaders to exchange new programmatic and administrative ideas. Likewise, the federation regularly sponsors meetings of its affiliates' department heads responsible for such activities as organizing, political action, and legal representation to share information on productive internal practices. Perhaps most notably, in the 1990s, the AFL-CIO began the practice of bringing national secretary-treasurers together to discuss administration methods that are more effective. Today, this practice continues under the leadership of the current AFL-CIO secretary-treasurer. More recently, the human resource directors of AFL-CIO unions also have begun to hold periodic meetings to share information and best practices.

Historically, unionization has caused employers to accelerate their adoption of formal human resource practices.[11] Employers adopt these practices, in part, because unions can fairly point out to management how an absence of formal practices leads to inconsistent and unfair treatment of employees. Evidence suggests that staff unions (unions formed to represent the professional employees of unions) have grown across the labor movement (see table 2) and have placed pressure on labor organizations to standardize their human resource policies.[12]

An additional factor possibly responsible for unions adopting more sophisticated and effective administrative practices is that, over time, the proportion of national union leaders and staff who have attended college, and even graduate school or law school, has grown.[13] As a result, more and more union leaders and administrators have been exposed, via higher and/or continuing education, to theories and principles of organizational management. This exposure increases the possibility that they will look outside their organizations for ideas about management and administration.

Conclusion

Using data from surveys conducted in 1990, 2000, and 2000, this article examines the internal administrative practices and policies of American unions. Specifically, the results indicate that, over the last 20 years, unions have increasingly adopted more formal and systematic human resource policies and practices, continued to turn to consultants to supplement their workforce, pursued more formal budgeting practices, and engaged more often in strategic planning and assessment. This study points to a need for future research to examine whether these advances in union administrative practices produce improved outcomes for unions. The documented experience of organizations in other sectors suggests that the use of modern management techniques can save unions money, help the individuals and departments conducting the programs of the union, reduce turnover, and encourage greater professionalism in all aspects of the organization.[14] In one relevant study, Delaney et al. found that innovation in union administration leads to innovation in union strategy and practice.[15] Future research needs to explore the specific ways that improvements in internal administration lead to better overall union performance.

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NOTES

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3 Gifford, *Directory of U.S. labor organizations,* 1999 ed.

4 Ibid, 2009 ed.

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7 Headquarters professional staff are typically full-time employees, usually located at the union's headquarters, who work for unions in areas such as law, education and training, research, political action and lobbying, organizing, bargaining, communications, international affairs, and planning. Professional field staff are typically full-time employees, not located at the union's headquarters, who work primarily in areas involving organizing, bargaining, contract administration, and other service work for local and regional affiliates. However, some field staff may work in areas that the headquarters staff more typically work.

8 In interviews, some union administrators reported meeting resistance to their attempts to implement performance appraisals. Their accounts recall how John T. Dunlop characterized the title of his book as an "oxymoron": *The management of labor unions*, p. xi. For discussion of the difficulties of implementing managerial practices in unions, see Ken Margolies, "The challenge union leaders face when they assume the role of managers within a labor organization," 63rd Annual Meeting of the Labor and Employment Relations Association, Denver, CO, January 7–9, 2011 (Champaign, IL: Labor and Employment Relations Association Series, 2011), http://toc.proceedings.com/12874webtoc.pdf.

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