

## Micro-Unit Organizing & New NLRB Election Rules Mean Manufacturing Employers Must Be Vigilant

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Last week the NLRB took another step toward making it easier for unions to organize manufacturers. As has been widely reported, the United Auto Workers (UAW) has been trying any number of ways to organize the hourly production workers at a foreign auto producer's manufacturing plant in Chattanooga, Tennessee. The UAW has used multiple tactics, including organizing on a European-based model, seeking the assistance and support of the employer's European union, and having a plant-wide showing of support – which the UAW ended up losing. Up to this point, the UAW had been unsuccessful. Undeterred, the UAW recently filed a Representation Petition to only represent a small group of skilled-trades workers at the Chattanooga plant – a so-called micro-unit based on the standard laid out in the NLRB's decision, Specialty Healthcare. This approach is contrary to the NLRB's traditional facility-wide approach to organizing for production and maintenance workers, but it is consistent with Specialty Healthcare, which paved the way for unions to represent much smaller groups of employees (more can be read here and here). This piecemeal approach to union organizing would not have been permitted under the former facility wide unit presumption that the NLRB had applied for years. The tide continues to shift as the NLRB more often is allowing "balkanized" union organizing under the Specialty Healthcare decisions. The tactic is now being used successfully by the UAW in its effort to organize the Chattanooga plant. Last week, over the employer's objections, the NLRB approved an election in a micro-unit of skilled trades workers in the employer's Chattanooga manufacturing facility. Of nearly 1,400 hourly employees at the plant, the skilled trades component is only 162 employees, approximately 12 percent of the total workforce. If a majority of these employees vote for the UAW, the UAW will have successfully edged its way into the employer's operation through micro-unit organizing. This is likely to be a model for such organizing at other auto industry and supplier operations, as well as manufacturing operations as a whole. Combined with the NLRB's new election rules (more can be found here and here) which have dramatically shortened the time required to get to a union election (from approximately 42 days down to 21 days or less in some cases), employers are vulnerable to a "balkanized" micro-unit pattern of union organizing. If successful, the approach will lead to disparate groups within facilities and protracted "inside out" organizing of entire facilities. These are real threats and, notwithstanding widespread reports that the NLRB's new rules have not benefitted unions (which is subject to debate), employers must not be lulled to sleep. While the NLRB's new rules continue to be challenged by businesses, the NLRB's own numbers demonstrate that:

• unions are more aggressive (6 percent rise in representative petitions);

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- employers have less time to respond (39.5 percent decrease in days between filing of petition and elections); and
- unions are winning more (1.6 percent increase in union win rate).

Combined with the NLRB's increasing allowance for micro-unit organizing, the threat to employers is more pronounced than ever. <u>Bottom Line</u>: EMPLOYERS BEWARE - in this type of environment only continued vigilance will bulwark further advances by organized labor.