Balancing Acts: Dynamics of a Union Coalition in a Labor Management Partnership

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This paper analyzes the experience of a set of unions that formed a coalition to engage in coordinated bargaining and to build and sustain a labor management partnership with Kaiser Permanente, a large healthcare provider and insurer. We use qualitative and quantitative data, including member and leader surveys, to explore the experience of the coalition in confronting five key challenges identified through theory and prior research on such partnerships. We find that the coalition has been remarkably successful, under difficult circumstances, in achieving institutional growth for its member unions and in balancing traditional and new union roles and communicating with members. The unions have been less successful in increasing member involvement.

The experience of the past twenty-five years of union engagement in partnerships with management has identified a set of unique challenges these arrangements create for unions. However, most of these unions have partnered individually with management at the local level. This paper analyzes the experience of a set of unions that formed a coalition with a large employer—Kaiser Permanente, the large healthcare provider and insurer—to engage in coordinated bargaining and to build and sustain a partnership in delivering and improving health care on a continuous basis during the term of the contract.

This unique partnership also comes at a time in which a national debate is taking place over the structure of the U.S. labor movement, and over how unions can best use their resources to wield political and economic power. In some ways the Coalition of Kaiser Permanente Unions (the Coalition) represents that debate in microcosm. The dynamics of this coalition may

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be instructive for national-level labor leaders. The Kaiser union coalition works together in three interlocking arenas: organizing, bargaining, and partnership with the employer. In this paper we will explore the experience of the Coalition in each of these arenas, with special attention to the challenges and opportunities previous labor management partnerships suggest unions are likely to face and the ways in which the Coalition has addressed them. We ask whether the Kaiser union coalition has been able to overcome the dilemmas posed by both inter-union alliances and labor management partnerships, described below, and if so, how.

Five Key Challenges

American unions traditionally have carefully guarded their autonomy vis-à-vis management, government, and other unions. The associated tensions have been aggravated by the fact that union organizing has never conformed perfectly to pure occupational or industrial models: under these conditions, some industries, and indeed some employers, are organized by multiple unions, and as a result, unions need to decide whether they want to bargain and engage the employer separately or through what has come to be called coordinated bargaining. Coalition is not easy. As one collective bargaining textbook puts it, “Generally, unions that have not previously cooperated have found it hard to adjust to a policy requiring the sublimation of their own often intensely desired demands for the common good” (Sloan and Witney 2001).

Research on coalitions stresses their inherent instability (Raiffa 1982). A coalition is by definition a voluntary association of autonomous parties that can be expected to continue to work together as long as each can achieve better results than it could achieve acting alone. Working in coalition is even more difficult for organizations with elected leadership since it is not clear if members will credit their elected leaders or the shared leadership of the coalition for any perceived successes or failures. The challenges of union coalitions are further amplified in labor management partnerships. The literature has identified five key challenges for unions engaged in partnerships. However, much of this research has focused on single unions engaging in partnerships with employers (Eaton and Rubinstein 2006; Eaton, Rubinstein, and McKersie 2004; Rubinstein 2001b; Rubinstein and Kochan 2001). The CKPU presents an opportunity to examine whether these challenges apply to coalitions of unions engaged in partnership arrangements and in addition whether coalitions face unique challenges. We discuss these challenges in turn.
Balancing Traditional and New Roles. The first and perhaps most fundamental challenge is assuring an appropriate balance between the time and resources devoted to partnership activities and those devoted to traditional representation via collective bargaining and grievance handling. This is closely related to the political risk of getting too close to management at the expense of being a strong, independent advocate for member interests, a risk that invites political opposition and membership backlash. For example, an opposition caucus was able to unseat the long-time local union leadership at Saturn in part by challenging the balance of time the officers were spending on co-managing the business versus more traditional individual representation (Rubinstein 2001a; Rubinstein and Kochan 2001).

Challenges to union leaders are also posed when partnerships result in opportunities for direct participation of members in decision making through work redesign or off-line problem-solving teams. Union leaders have experience with the highly structured and disciplined model of participation via collective bargaining; and some union leaders question whether, without that degree of structure and discipline, members can be trusted to represent their own and the union’s interests (Eaton and Rubinstein 2006; Schurman and Eaton 1996; Szapiro 1996) yet research has shown that workers want more input into decisions that affect them in the workplace (Freeman and Rogers 1999; Kochan, Katz, and Mower 1984). Thus, a key challenge for union leaders is to provide opportunities and support for direct worker participation, while simultaneously assuring that this participation does not go awry.

Meeting this challenge is often difficult because of inadequate internal union structures and processes (Eaton and Rubinstein 2006; Szapiro 1996). As Heckscher and Schurman (1997) put it:

Unions also lack, in most cases, the mechanisms of internal discussion and discipline to make these processes work. When you have a lot of people suddenly involved in new issues, there is a severe danger that some will go off in the wrong direction. The union needs to be able to gather information, to build consensus, and to manage damaging disagreements among its internal constituent groups. Traditional collective bargaining has produced few mechanisms for internal union communication and dialogue . . . These channels mostly reach the activist core and involve a very small percentage of rank and file members. They are almost always insufficient for the new demands [p. 327].

Union Leadership Skills and Capacity. A second key challenge for unions engaged in partnerships with management is the need for new skills and greater organizational capacity (Eaton, Rubinstein, and McKersie 2004;
Rubinstein 2001a, 2001b; Rubinstein 2003). For example, United Automobile Workers (UAW) leaders at American Axle and Saturn and PACE leaders at Union Camp Paper found that they needed to develop a wide variety of business skills in areas of strategy, finance, operations, marketing, problem solving, planning, and consensus building, in order to bring their voice to the management processes and decisions opened to them in their partnerships (Eaton, Rubinstein, and McKersie 2004; Rubinstein 2001a, 2001b; Rubinstein 2003).

Institutional Growth and Organizing. A third challenge is posed by the need to juggle the demands of partnership and those of institutional growth, particularly growth via new organizing. Unions have often found themselves in the unsustainable position of working with management to improve organizational performance while battling with management over organizing nonunion facilities. The Amalgamated Clothing and Textile Workers Union struggled for years with its decision to partner with management in one plant of a Johnson & Johnson subsidiary while the company actively battled the union in another. Similarly, in the 1970s, the UAW participated in Quality of Work Life (QWL) experiments with General Motors (GM) while GM pursued its nonunion “Southern Strategy.” Over time the UAW negotiated various provisions with GM to ease organizing in the nonunion plants. Neutrality and card check agreements are now often negotiated in the context of partnerships (Eaton and Kriesky 2001, 2006).

Partnership can also pose difficulties for existing bargaining units. Partnerships are often a response to declining job security, reflecting unstable economic environments; but partnerships do not necessarily stem job loss and shrinking membership. In data collected in the late 1980s, Cooke (1990) found that over three fourths of the local union leaders he surveyed said that insufficient job security was a problem affecting the success of ongoing joint programs. More recently, Osterman (2000) examined the relationship between layoffs and “high performance work organization,” definitions of which usually include direct worker participation, and found that the presence of such HPWO practices was associated with a higher probability of layoffs in subsequent years. This result held up even when controlling for indicators of firm performance problems. Given the centrality of employment security to both members and to the union as an institution, it is not surprising that layoffs prove so threatening.

Conflict and Cooperation. A fourth key challenge for unions is balancing conflict and cooperation in their relations with management. Partnership has a complex impact on the sources of power that can be mobilized. On the one hand, when union involvement in decision making embeds the union in
the operational systems of the company, it can lead to greater leverage and bargaining power (MacDuffie 1995; Rubinstein 2001a, 2001b; Rubinstein and Kochan 2001). On the other hand, union leaders need to use distributive techniques when interests diverge (Cohen 1995; Eaton, Rubinstein, and McKersie 2004; Rubinstein 2001b). Many union leaders are convinced that solidarity among workers cannot be built in the absence of regular conflict with the employer. Combining integrative and distributive approaches often requires education of both management and union leaders. Managers tend to equate partnerships with cooperation, and are surprised when union leaders revert to more distributive bargaining behaviors when conflicts arise.

Managing Inter-union Relationships. A final set of challenges is created by the need to manage relationships among the national and local unions. The participation of multiple unions in a partnership program creates considerable difficulty on this dimension (Eaton and Rubinstein 2006). Eaton (1994) found that the existence of multiple unions was a significant negative predictor of the survival of participation programs. In the case of the AT&T labor management partnership, the two unions involved, Communication Workers of America (CWA) and International Brotherhood of Electrical Workers (IBEW), had significantly different organization cultures. Conflict between the two unions was often as contentious as conflict between the unions and the company. Similarly, the Minneapolis multi-employer healthcare partnership involved nurse and service employee unions; conflict among those unions was a factor in the decline of that effort (Eaton and Rubinstein 2006).

The tensions among unions are particularly complicated when there are different occupational groups or overlapping jurisdictions are involved. For example, despite various union–management efforts to initiate partnerships at Boeing Corporation where engineers are represented by the Seattle Professional Engineering Employees Association (SPEEA), and production workers are represented by either the International Association of Machinists or the United Auto Workers, these three unions have never been able to coordinate their efforts.

The relationship between local and national unions also poses difficult challenges for some local union leaders engaged in partnerships. As locals get more directly involved in business strategy and operations (Rubinstein 2001a, 2001b; Rubinstein and Kochan 2001), national officers may fear that local leaders may be accepting the logic of the firm at the expense of broader solidarity (Eaton and Rubinstein 2006; MacDuffie 1995; Parker and Slaughter 1988; Shirai 1983). Conversely, partnership agreements negotiated nationally can be experienced by the locals as restrictive (Rubinstein 2003).
The CKPU encountered each of these challenges and dilemmas over the first decade of its history. In the sections that follow we will both describe how they played out and influenced the dynamics of the coalition and then analyze the lessons learned from these experiences for the larger strategic and structural challenges facing the American labor movement.

Research Methods

We used a variety of methods to study the KP union coalition and its functioning in the context of the labor management partnership (LMP). Our approach included qualitative analysis of interviews, archival material, and direct observation, and quantitative analysis of local union and rank-and-file surveys. We conducted interviews with a subset of union leaders, focusing primarily on the larger locals but attempting to interview at least one local leader from each Kaiser region. These interviews dealt with the dynamics of the Coalition and the benefits and costs of the Coalition and the LMP. Leaders were also asked to identify critical incidents in the coalition’s history and to explain how these incidents were addressed. We conducted interviews with most of the Coalition staff. We also drew on interviews from other studies of KP’s LMP including a study of the 2005 bargaining between Kaiser and the Coalition that was conducted at the same time as this study. These interviews include leaders and staff from affiliate unions who have been involved in critical stages of the coalition’s history and a handful of Kaiser managers. In all, we drew on over thirty interviews.

In addition to interviews we examined materials from the Coalition’s files, looking most carefully at those concerning organizing and the LMP. We collected copies of documents listing coalition union members and membership size starting from the beginning of the Coalition. We also collected copies of formal internal coalition agreements; agreements with KP management related to organizing; and internal coalition correspondence concerning organizing, the LMP, and internal coalition governance. We examined documents dating from the earliest days of the Coalition to the present.

Beginning in late 2004, we observed several union steering committee meetings, the March 2005 Coalition union delegates meeting leading into

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national bargaining, Coalition caucuses (and joint sessions with management) throughout much of 2005 national bargaining, and a handful of Coalition staff meetings.

Along with these qualitative data sources, we analyzed data from three surveys. Coalition staff designed two of the three surveys with the help of a contracted survey firm, O’Neil Associates; O’Neil administered these surveys. The first survey was conducted by phone in 1998 with a sample of 1000 union members, and provides a baseline for member attitudes about Kaiser, the Coalition, and the LMP. O’Neil conducted a second phone survey assessing member attitudes again in January 2005. One of us was involved in redrafting this survey, including writing additional questions about the Coalition and the LMP. O’Neil Associates phoned a sample of 1536 KP union members in February 2005.

In addition, we designed and administered a survey of local union leaders that focused on the experience of the local unions with both the Coalition and the LMP. Questions concerned the size and distribution of union membership, training and staffing for the LMP, and performance of the LMP and the Coalition. We sent the survey to presidents of twenty-five local unions involved in the Coalition and received fifteen completed surveys. These fifteen locals represent almost 72,000 workers or approximately 85 percent of the workers represented by Coalition unions. While larger locals are over-represented, we did get responses from some smaller ones. The overall size of these locals ranges from 300 to 140,000 members while the size of their KP membership ranges from 71 to 40,000.

Background

The Coalition of Kaiser Permanente Unions is a group of ten unions, six currently affiliated with the AFL-CIO, three affiliated with the Change to Win Federation (CTW), and one independent. The AFL-CIO affiliates are American Federation of State, County and Municipal Employees (AFSCME), American Federation of Teachers (AFT), International Federation of Professional and Technical Engineers (IFPTE), Office and Professional Employees International Union (OPEIU), United American Nurses (UAN), and United Steel Workers (USW). The CTW affiliates are International Brotherhood of Teamsters (IBT), Service Employees International Union.

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2 At the time of the survey, more than 25 locals were members of the Coalition. For purposes of the survey, however, a number of the smaller, Southern California locals were combined since that is how they are treated in the Coalition local leader contact list.
(SEIU), and United Food and Commercial Workers (UFCW). The independent is the Kaiser Permanente Nurse Anesthetists Association (KPNAA). It should be noted that the SEIU represents roughly 60 percent of the total Coalition membership.

These unions represent employees of the Kaiser Foundation Health Plan and Hospitals and eight Permanente Medical Groups, organizations that partner to form the integrated health insurer and health maintenance organization known as Kaiser Permanente (KP or Kaiser). Kaiser Permanente is the United States’ leading private provider of health care with 8 million members (enrollees), 30 medical centers, 431 medical offices, 11,000 physicians, and 111,000 employees. It operates in eight regions: Northern California, Southern California, Northwest, Hawaii, Colorado, Ohio, Mid-Atlantic, and Georgia and is highly unionized throughout.

The Coalition formed in 1995 in order to coordinate what historically had been fragmented and decentralized collective bargaining relationships between KP and multiple local unions (26 at the time the Coalition formed). As the Coalition formed, it explored two paths to improving the unions’ bargaining position with KP, one adversarial and one focused on partnership. In 1997 the Coalition and KP signed a formal partnership agreement and began the process of building a new relationship.

Balancing Traditional and New Roles

From its earliest days, leaders of the Coalition had been wary of the potential disconnect that can develop between leaders and members in a labor management partnership. The key to avoiding this disconnect, according to Peter diCicco, recently retired executive director of the Coalition, was to make it clear to all that partnership was not just about “labor management cooperation”—it was a different, and in his view, more effective way to represent members and to break new ground outside of the scope of mandatory issues management is required to negotiate under current labor law.

Peter diCicco was credible in communicating this view of partnership in part because, from the beginning, he and others who helped form the Coalition were not ideologically predisposed to building a partnership. They were

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3 Other unions represent Kaiser employees but remain out of the Coalition and the labor management partnership. The most significant of these is the California Nurses Association (CNA), which represents almost twelve thousand RNs in the Northern California region and UNITE-HERE, which represents over 1800 workers in Kaiser’s Hawaii region. There are also a number of much smaller units represented by various building trades unions.

4 https://newsmedia.kaiserpermanente.org/kpweb/fastfactsmedia/entriypage2.do#2
willing to and did consider the alternative strategy of mounting an aggressive corporate campaign against Kaiser. Although they ultimately rejected this idea in favor of building a partnership, the fact that Coalition leaders had “proven” their willingness and ability to engage in militant actions when necessary was critical to building and maintaining respect and support across the unions participating in the Coalition.

Member survey results indicated support for the LMP. Member attitudes toward the LMP are reported in Figure 1. Most of the questions focused on outcomes of the LMP. The responses were, for the most part, quite positive, with strong majorities agreeing that the LMP was the right decision and was positive for safety, quality of care, work conditions, and union relations. Members were less sanguine, however, about the impact of the LMP on their day-to-day work lives: only half said that the LMP gave them a larger role in decision making and a little more than that reported it improved employee/supervisor relations.

A handful of the questions reported in Figure 1 were also asked, some in a slightly different form, in the early days of the LMP in 1998 (see Table 1). The percentages answering favorably to each increased from 1998 to 2005.

<table>
<thead>
<tr>
<th>Question</th>
<th>Strongly Agree</th>
<th>Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Establishing LMP was right decision</td>
<td>16%</td>
<td>61%</td>
</tr>
<tr>
<td>LMP has positive impact on safety</td>
<td>15%</td>
<td>64%</td>
</tr>
<tr>
<td>LMP good for quality of care</td>
<td>12%</td>
<td>66%</td>
</tr>
<tr>
<td>Kaiser is committed to LMP</td>
<td>11%</td>
<td>67%</td>
</tr>
<tr>
<td>LMP has positive impact on work conditions</td>
<td>11%</td>
<td>59%</td>
</tr>
<tr>
<td>LMP has improved Kaiser union relations</td>
<td>10%</td>
<td>64%</td>
</tr>
<tr>
<td>LMP has improved employee/supervisor relations</td>
<td>9%</td>
<td>46%</td>
</tr>
<tr>
<td>LMP gives me larger role in decisions</td>
<td>7%</td>
<td>43%</td>
</tr>
<tr>
<td>LMP has NOT had impact on my workplace</td>
<td>5%</td>
<td>27%</td>
</tr>
</tbody>
</table>

FIGURE 1

MEMBER ATTITUDES TOWARD THE LMP, 2005

Revised from a chart prepared by O’Neill Associates
(Valid Ns range from 1429 to 1467)
The Coalition has sought to institutionalize the vision of partnership as a method of aggressively representing workers through various means. For instance, it produced periodic Coalition-wide newsletters since 1998. Communications were also important at the local level. In the local leader survey, 93.3 percent of the locals reported that LMP was a regular agenda item in local union meetings and that the local communicated regularly with members about LMP.

Unions have also sought to institutionalize this vision by maintaining their commitment to representation in the traditional realms of bargaining and grievances. The unions mobilized considerable resources for collective bargaining, as discussed in detail in the companion paper on the negotiations process. While labor and management developed alternative problem-solving processes as a key part of the LMP, workers continued to have access to the traditional grievance procedure. Satisfaction with grievance handling has been identified in previous research as key to union members’ perceptions of union success in partnerships (Eaton, Gordon, and Keefe 1992).

The union member surveys indicated continued satisfaction with grievance handling and collective bargaining and with the union’s ability to balance LMP work and their traditional role (Table 2). It is interesting to note that the last question in Table 2 was also asked of union members in the baseline survey in 1998. At that time, the percentage indicating they were satisfied

### TABLE 1
**Changes in Members Attitudes toward the LMP, 1998 to 2005**

<table>
<thead>
<tr>
<th>Statement</th>
<th>1998</th>
<th>2005</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Establishing the LMP was the right decision.</td>
<td>64%</td>
<td>77%</td>
<td>+13</td>
</tr>
<tr>
<td>The LMP is good for quality of care.</td>
<td>68</td>
<td>78</td>
<td>+10</td>
</tr>
<tr>
<td>The LMP has had a positive impact on working conditions.</td>
<td>61</td>
<td>70</td>
<td>+9</td>
</tr>
<tr>
<td>The LMP gives me a larger role in decisions.</td>
<td>42</td>
<td>50</td>
<td>+8</td>
</tr>
</tbody>
</table>

*Note:* % agreeing or strongly agreeing; N for 1998 survey was 1000—valid N’s for individual questions are not available; valid N’s for 2005 ranges from 1455 to 1465.

### TABLE 2
**Member Attitudes toward Balancing Roles, 2005**

<table>
<thead>
<tr>
<th>Statement</th>
<th>% Agree or strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Union good at balancing LMP and traditional roles (N = 1412)</td>
<td>68%</td>
</tr>
<tr>
<td>Workers have done better in contract negotiations since the unions began working together (N = 1345)</td>
<td>71</td>
</tr>
<tr>
<td>LMP helps unions represent workers (N = 1473)</td>
<td>73</td>
</tr>
<tr>
<td>Satisfaction with union in dealing with grievances (N = 1291)</td>
<td>% Satisfied or very satisfied</td>
</tr>
</tbody>
</table>

75%
and very satisfied with union grievance handling was 67 percent so there was improvement in members’ perceptions.

Indeed, members indicated high and growing levels of satisfaction with and commitment to their unions as can be seen in the results in Table 3.  

Three quarters of the survey respondents indicated high levels of overall satisfaction with their union in 2005, up from 63 percent in 1998.

Furthermore, workers involved in the LMP reported higher levels of satisfaction with, commitment to, and participation in their union. These differences, however, may result from a selection effect; members with more favorable attitudes toward the union may be more likely to participate in the LMP. The ideal way to distinguish between a selection effect and a program effect (improved attitudes due to participation) would be to trace individual worker attitudes before and after participation. Since we were unable to do that, we instead divided the group of workers who were not involved in the LMP between those who wanted to be involved (volunteers) and those who did not (nonvolunteers). If nonparticipants/volunteers were similar in their attitudes to participants, then that is an indication of the selection effect: they had different attitudes before choosing participation. But if the nonparticipants/volunteers were more similar to nonparticipant/nonvolunteers than they were to participants, this would suggest a program effect: participation itself changed attitudes.

The results provide strong support for a participation effect; that is, that involvement in the LMP improves a range of member attitudes toward their

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5 It is interesting to note that job satisfaction has also gone up substantially during this time period. In fact, although union satisfaction has increased more than overall job satisfaction, job satisfaction remains higher than union satisfaction, suggesting that the unions are not getting full credit for the improvements on the job.

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### TABLE 3

<table>
<thead>
<tr>
<th>Changes in Attitudes toward the Union, 1998 and 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall satisfaction with the union. (% satisfied or very satisfied.)</td>
</tr>
<tr>
<td>I feel committed to my union.</td>
</tr>
<tr>
<td>My local union leaders demonstrate good leadership ability.</td>
</tr>
<tr>
<td>My union listens to what I have to say.</td>
</tr>
<tr>
<td>My union does a good job communicating with me.</td>
</tr>
<tr>
<td>My union dues are well spent.</td>
</tr>
<tr>
<td>My union is a positive force in improving quality of care at Kaiser.</td>
</tr>
</tbody>
</table>

Note: Except where noted, percentages are for those answering agree or strongly agree. N for 1998 survey was 1000—valid N’s for individual questions are not available; valid N’s for 2005 range from 1381 to 1505.
Balancing Acts

union and its leaders. Table 4 presents the details.\(^6\) Satisfaction with the union both in general and in specific areas like grievances, dues, and leadership is considerably higher among members who have been involved in the LMP than those who have not, whether or not they are interested. Similarly, members who have been involved in the LMP are much more likely to report that the unions in their workplace work well together and that workers have done better in negotiations since the unions started working together. The results for union commitment are not quite so strong—workers who have been involved in the LMP report higher levels of union commitment, but workers who would like to be involved but are not also feel much more commitment than do members who do not want to be involved, suggesting a mix of selection and participation effects. (There were other questions in the survey, not reported here, that measure dimensions of union commitment and for which the evidence also suggests a selection effect.)

Of particular interest is that workers involved in the LMP reported much higher rates of union participation (defined as “things like attending meetings,

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\(^6\) These results—the positive impact of partnership involvement—held up even in regression equations controlling for basic demographic characteristics of respondents.
reading union publications, and voting in union elections”). It is likely that members viewed participation in the LMP as union participation even though it was not part of the definition presented in the survey. On the one hand, the Kaiser unions wanted LMP to be seen as part of their representational strategy and thus, LMP work should have been understood by members to be union work. On the other hand, the unions did not want the LMP to be the only union work members do. One union president expressed the concern in this way:

Our organizing model is to involve the local leadership very directly. But for many Kaiser workers and activists their union work is their partnership work. They feel they don’t have time for organizing or other things. It’s hard to get them to do that work. . . . The LMP has created a culture where everything is release time, everything should be compensated. Because KP pays for steward council time [and] other LMP [and] union time—it’s all compensated and so if activists have to make a choice, they go to the compensated union meeting not the uncompensated union meeting.

Union Skills and Capacities

The Coalition unions have sought to deal with skill and human resource challenges in a variety of ways. As part of the national labor agreement bargained in 2000, the parties negotiated a trust to pay for partnership-related expenses. In the first year of the contract, Kaiser contributed $0.05 per hour per employee to the trust. This amount rose by $0.01 each year of that contract. The 2005 national contract provided for steady state contributions of $0.09 per hour per employee. The trust funded the Office of Labor Management Partnership but it also paid for the Coalition’s partnership-related costs. Thus, there were significant financial resources available to the Coalition to develop skills and pay for personnel to support the LMP, though still not necessarily enough to meet the challenge given the size of the workforce. Training in process skills and business literacy was developed through the LMP and was available to union leaders and staff as well as members. In addition, the Coalition worked with external consultants to develop a focused union partnership representative training aimed at helping union representatives work through the typical dilemmas presented by the partnership.

7 Most respondents to the survey of local union leaders also report that member participation in union committees and interest in union leadership positions have increased. They were more evenly split on whether union meeting attendance had increased or remained the same. Most indicated no change in the numbers participating in union elections.
Capacity posed a more difficult problem. The Coalition employed staff members who “partnered” with a management person to lead LMP activities in particular regions or specific national projects. Some local unions were also able to hire “labor liaisons” who supported LMP activities at the local level. In addition, KP sometimes covered the cost of replacement for front line workers involved in LMP activities. This practice was extremely uneven and limited by regional or facility resources; problems with “backfill,” as it was known in KP, were widely acknowledged and were, in theory, addressed in the 2005 labor agreement (see the companion paper on the partnership for more thorough discussion of this issue).

The local leader survey results indicated that a high percentage of union staff availed themselves of the training opportunities offered (see Table 6). For instance, about 90 percent of local union staff went through the LMP training on consensus decision making and interest-based problem solving, two foundational tools of the Partnership, while roughly 80 percent attended the union partnership representative training.

Not surprisingly, local unions also made a heavy investment of staff time in the LMP. Local leaders reported that, on average, 50 percent of their staff time servicing KP employees was spent on LMP activity. These survey results were supported by the interviews. As can be seen from the following quotes, local leaders felt they were stretched thin in attempting to balance their roles in the partnership and in representing their members in other ways.

Yes, [this] wears the staff out. The Local [Union] KP staff are working like dogs! We’re tired. We go back to the local and say we need more help and the reaction is “this was supposed to make life easier.” But it doesn’t for field staff. They have to find all the reps for all the committees and make sure it’s going right.

—Local leader, Southern California

Several Coalition staff members also noted the resource problem.

We did not anticipate the amount of resources necessary to engage in the partnership. We underestimated our needs in capacity and resources. The locals are set up along traditional lines—for organizing and handling grievances. It is difficult to balance partnership with the day to day work in the union . . .

—Coalition staff

We have not grasped how large KP is, never dedicated enough resources. Not enough levels of management of the union, not enough spending, not enough span of control. The Labor Management Partnership trust has $20 million a
year to spend, [but] only spent $13–$15 million last year and sent money back to regions.

—Coalition staff

Partnership also required the involvement of union members in the LMP. Local leaders reported lower levels of member training than they did for staff (Table 5).

These levels of training, along with perceived low levels of participation by members, were a continuing source of concern to some local leaders and to Coalition staff.

We have not trained people to sit on committees and communicate. We need more training to help them develop the capacity to engage management fully. [We need to be] shifting more resources to facilities so we can help the rank and file where they work to build the partnership. They need support and assistance.

—Coalition staff

8 It is worth noting that, with one exception, these results are quite similar to the levels of training reported by labor and management LMP leaders in the field in a 2003–2004 survey. The exception is the union partnership representative training; the earlier survey reported much lower levels of that training in most regions.

<table>
<thead>
<tr>
<th>Type of Training</th>
<th>% of members attending (Ns = 10–12)</th>
<th>% of staff attending (Ns = 11–14)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partnership Orientation</td>
<td>54.4%</td>
<td>91.7%</td>
</tr>
<tr>
<td>Consensus decision making</td>
<td>47.4</td>
<td>89.6</td>
</tr>
<tr>
<td>Interest-based problem solving/issue resolution</td>
<td>33.3</td>
<td>90.4</td>
</tr>
<tr>
<td>KP business education maps (root learning maps)</td>
<td>41.6</td>
<td>80.0</td>
</tr>
<tr>
<td>Systems of safety</td>
<td>33.0</td>
<td>71.8</td>
</tr>
<tr>
<td>Union partnership representative training</td>
<td>39.8</td>
<td>81.6</td>
</tr>
</tbody>
</table>

TABLE 5

UNION MEMBER PARTICIPATION IN LMP TRAINING

<table>
<thead>
<tr>
<th>LMP Impact On How Well:</th>
<th>Mean (N = 14–15)</th>
</tr>
</thead>
<tbody>
<tr>
<td>—local unions in the Coalition work together</td>
<td>4.47</td>
</tr>
<tr>
<td>—the local works with other KP unions in the region that are not in the Coalition</td>
<td>3.36</td>
</tr>
<tr>
<td>—the local works with other non-KP unions in the area</td>
<td>3.36</td>
</tr>
<tr>
<td>—the local works with the national union</td>
<td>3.79</td>
</tr>
</tbody>
</table>

NOTES: Local leader survey; Scale: 1 = worsened a great deal, 5 = improved a great deal.
It’s surprisingly thin. From the beginning, it seemed like there was no robust strategy for broad-based engagement of the workforce. Some understanding of this has grown over time, but they’re still not there. When you look at the size of the budget, it’s amazing how little they’ve really done with it. You compare it to 1199’s budget and what they’ve done.

—Coalition staff

As these survey results and quotes indicate, there was widespread agreement among the staff and local leaders interviewed that the unions had not yet solved the membership engagement problems typical of unions involved in partnerships.

Conflict and Cooperation

Unions engaged in a Partnership need to perform a balancing act of maintaining membership solidarity while not using (or at least not overusing) threats to withdraw from the partnership when conflicts arise. Local leaders were concerned about their ability to build solidarity as adversarial relations became a distant memory or even a nonmemory for most members.

We’re more accustomed to fighting, don’t know how to work within partnership. How do we build the union in that context? There are . . . not many models for that. Without the fight, it makes workers question, do they need the union.

—Local leader, Northwest

Another concern I have is for the unions, and it’s actually our members. About 50 percent are new since 2000. They have no concept of the past, the relationship, the endless battling, the working conditions. No idea. They don’t know and they don’t want to know anything about the contract. So there’s a real cultural divide among the members between old and new.

—Local leader, Southern California

It is interesting to note that the survey indicated that lower seniority members held significantly more positive views of the union but also participated less in the union.

At the same time traditional demonstrations of solidarity can create misunderstandings for management as happened when the unions staged a solidarity day involving the wearing of a union sticker during national bargaining in 2005. Managers felt the action violated the spirit of interest-based bargaining while the unions felt they had gone out of their way to demonstrate labor unity and remind members that bargaining was taking place, but without in any way “bashing” management.
Unions in partnership have an opportunity to draw on and utilize the new sources of power that are gained by participating in a wider array of decisions than is typical in traditional labor management relationships. The Coalition at Kaiser gained access to and influence in a considerable array of heretofore managerial domains ranging from participating in joint marketing campaigns to consulting on, and in some key situations, influencing the selection of executives for positions. In addition, we cite in the companion paper a set of “pivotal events” that occurred over the first decade of experience, which called for union leaders to use a mix of confrontational tactics to get their voice heard on an issue along with problem-solving tactics for exploring options and working through to solutions of a crisis. These pivotal events ranged from the signing of an employment security agreement to restructuring but not closing the Northern California Optical Laboratory to jointly addressing budget crises without resort to layoffs or other actions that would violate the labor agreement or the spirit of the partnership.

Managing Inter-union Relations

The challenge of managing inter-union relations presented itself in three somewhat distinct arenas: organizing, bargaining, partnership activities. We discuss each in turn and then address the sources of the success of the Coalition in these arenas.

Coalition Dynamics in Organizing. Very early in the history of the Coalition, a Kaiser Permanente organizing committee was formed. This group of representatives from each of the national unions concluded an inter-union agreement that established rules for determining jurisdictions for new organizing. These rules gave priority to unions with existing density in each region of the KP, particularly in occupations similar to those being organized. The goal was “to avoid proliferation of units or unions and to maximize organizing and bargaining effectiveness” (CKPU, Target Clearance Rules). The agreement also set up a process for resolving disputes that might arise.

As of early 2005, there were at least sixteen target clearance disputes, most of which were resolved by the organizing committee itself. Four disputes were sent to and resolved by a neutral umpire. In sum, the target clearance process has gone smoothly. Coalition Associate Director Margaret Peisert reported,

We had a few little blowups along the way, but for the most part . . . I think that was a factor in bringing people together, you didn't have that barrier of
While the target clearance process was successful and the organizing and growth was strong for the Coalition (discussed further below), disputes over the integrity of representation of existing units presented greater difficulties. Two disputes of this type arose, both of which were viewed by leaders and staff as pivotal moments in the life of the Coalition. The first of these was a three-way dispute involving the SEIU, United Nurses’ Association of California (UNAC—the AFSCME affiliate), and the California Nurses Association (CNA). The SEIU formed an organizing pact with CNA in December 2003, which essentially divided the California healthcare organizing turf between the two unions: the SEIU ceded RN organizing to CNA, and CNA ceded non-RNs to the SEIU (joint news release, December 15, 2003, SEIU/CNA). CNA has remained out of the Kaiser Coalition, and has been sharply and aggressively critical of the labor management partnership and of Kaiser as an employer and healthcare provider. Representatives of the other Kaiser unions were angry that the SEIU had not consulted them or even informed them ahead of the public announcement about the CNA agreement, and that the SEIU appeared to be making common cause with CNA. Most affected in this regard was UNAC, which represents RNs in Kaiser facilities and in other healthcare providers in Southern California. Indeed, CNA began raiding activities among UNAC units in early 2004, shortly after reaching the agreement with the SEIU.

There were suspicions that the SEIU has encouraged CNA in these raids or was at least complicit in them, suspicions that the SEIU in turn denied. The situation was eventually resolved with the intervention of Richard Trumka, secretary-treasurer of the AFL-CIO, as well as of the SEIU, Coalition, and KP leaders resulting in an agreement regarding jurisdictions and a process to avoid future raiding. On the one hand, the episode soured relations between UNAC and the SEIU and helped to heighten concerns about the SEIU’s intentions, concerns that escalated as the SEIU pressed its case for restructuring the AFL-CIO and the labor movement. On the other hand, the Coalition survived this very difficult and potentially catastrophic episode, both demonstrating and reinforcing its resilience.

The second dispute involved the SEIU more directly, this time in a clash during the early stages of 2005 national bargaining when members of a UFCW bargaining unit initiated a decertification drive. UFCW leaders thought the SEIU was encouraging the decertification effort and encouraging the workers involved to join the latter. UFCW representatives considered pulling out of bargaining over this issue, but ultimately decided not to. This
issue escalated up to the national leadership of the two unions. After several weeks the issue was put to rest in an exchange of letters indicating both unions would stop any local-level efforts to challenge the other’s representation. This exchange was part of a broader struggle over whether the UFCW would join the SEIU in the proposed new Change to Win group of unions that would pull out of the AFL-CIO.

**Bargaining.** A central accomplishment of the Coalition and the Partnership has been the successful negotiation using interest-based principles, first in 2000 and then again in 2005, of a national agreement between Kaiser and its local unions (for details of the 2005 negotiations see the companion paper in this symposium). Prior to the formation of the Coalition, these locals bargained separately and with little to no coordination or communication. Leaders and staff viewed the successful 2000 negotiations as a pivotal moment in the history of the Coalition where the unions came together and worked on an intensive and significant activity for the first time, creating new relationships in the process.

The 2005 negotiations took place in a more difficult moment in the history of the Coalition, happening at the same time as the largest Coalition member, the SEIU, was leading a group of unions out of the AFL-CIO. Throughout the early and middle stages of bargaining, there was substantial backstage concern about the SEIU’s commitment to the Coalition. In the final week of bargaining, intra-organizational tensions over the distribution of the financial package intensified, reflecting both these backstage concerns and the incredible complexities of meeting multiple union goals within a single agreement. The newly merged California local of the SEIU, United Healthcare West, was focused on a goal of bringing their Southern California members up to the wage levels of their Northern California members. The nurses unions were looking for supplemental increases that would reflect real labor market differences and keep CNA at bay. These were just two of the competing interests at work in the bargaining process; they are also, by wide agreement of Coalition leaders, the two most salient. In the end, the Coalition held together and reached an agreement that all observers agreed was excellent for the unions and their members. At the same time, some nurse union leaders felt sold out by SEIU. The distrust engendered by the organizing disputes described above, by the bargaining process, and by the SEIU’s role in the national labor movement, continued to linger.

**Inter-union Relations under Partnership.** Local leaders were asked about whether the LMP had any impact on relations with other locals and with
their national union. They were asked to rate the impact on the relationships from 1 “worsened a great deal” to 5 “improved a great deal.” Table 6 contains the results from these questions. As might be expected, local leaders saw the greatest impact on relations between locals in the coalition and between locals and their national unions. In both cases, local leaders reported improvements in the relationships. This is quite a different result than seen in the Saturn case where partnership at the local level severely strained relations with the national UAW at times (Rubinstein and Kochan 2001). That difference likely results from differences in centralization both in the two industries and within the unions involved. It may also be that the Coalition substitutes in some ways for the national union in the Kaiser relationship. In this regard, we did hear some frustration concerning the resources available from the Coalition for LMP activities.

One important barrier to the unions working together is the substantial difference in union culture across these organizations. For instance, one local leader pointed to the difficulties unions have in working together when one union is more staff oriented and the other more member oriented. Some leaders discussed difficulties working with unions that have a large percentage of their membership outside of Kaiser or outside of health care. Others discussed the differences between unions with members in more or less “professional” jobs.

The interviews revealed some interesting structural solutions to support communications among Coalition locals within particular regions. Most of the locals have moved toward monthly inter-union meetings among key local leaders to discuss strategy, plan, coordinate activities, and share information.

In Colorado—monthly strategy meetings for 2–3 hours—10 to 12 people from 2 unions focused on strategies and priorities. It’s the single best coalition structure for communication and solidarity to move unions and interests forward.

—Coalition staff

Institutional Growth and Organizing

In addition to the inter-union jurisdictional agreement described above, the Coalition had established ground rules for organizing with KP. The 1997 partnership agreement included a “union security” section, which provided for KP’s neutrality and a vague commitment to an expedited process for KP’s recognition of newly organized units. A follow-on agreement in 1999 provided detailed ground rules for a card check recognition process. Beyond these agreements around organizing, the Coalition sought to protect
existing membership through negotiating an employment security agreement and by working with KP to keep its health care competitive both in terms of quality and price and to improve its marketing to union health plans and union members.

The result of these agreements and of KP’s business growth was substantial overall growth in membership of Coalition unions since 1997. The total number of workers represented by Coalition unions went from approximately 47,000 in 1997 to 86,000 in 2006. The growth for each of the original affiliates is listed in Table 7 as well as 2006 membership for the two late joiners to the Coalition.

The sources of growth for the member unions included the organization of new units, accretion into existing units, and employment growth in existing units. We were unable to say precisely what percentage of the overall growth results from each source; however a list of twenty-nine organizing campaigns obtained from the Coalition and KP indicated 7400 workers were successfully organized during the partnership, constituting about 20 percent of the overall growth in the Coalition.10 These campaigns took place in all

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9 At the same time, the larger non-Coalition, nonpartnership unions have also grown. In this same period, the CNA has gone from eight thousand to almost twelve thousand members, or close to a 50 percent jump. HERE, representing KP workers in Hawaii, has grown a more modest 22 percent from 1500 to 1831.

10 While the organizing gains described here are substantial, Coalition unions are not always successful in their campaigns. According to KP’s brief to the NLRB in the Dana/Metaldyne cases, for instance, unions failed in five out of twenty-three card check campaigns. This 80-percent success rate is right in line with prior research on the outcomes of card check agreements (Eaton and Kriesky 2001).
Balancing Acts

of the LMP regions of KP and involved many different occupational groups, and most of the unions. (This list does not include successful organizing of units that were later sold or closed by Kaiser.) Prior to the partnership, from 1972 to 1995, the union win rate at Kaiser in NLRB elections was about 72 percent, well above the average for that period; these efforts did not typically encounter hard anti-union campaigns but the partnership agreement further eased and even encouraged new organizing. This effect was strongest in new business units, particularly in a traditionally anti-union area like Georgia; but there was also strong growth for Coalition members in older business units.

Sustainability of the Coalition

The data reviewed above suggest that the Coalition has done well, meeting its key challenges. Here we discuss briefly some of the factors that have held the Coalition itself together.

The Kaiser Coalition benefited from having a single, and by all accounts, a highly respected executive director over its first eight years. Peter di Cicco’s experience and personal credibility and negotiating skills were instrumental in seeing the Coalition and the partnership through a series of pivotal events that if not well managed could have led to the break-up of the Coalition, the demise of the partnership, or both. Partnerships made up of a coalition of unions can expect to have an even more difficult time confronting such events since power is more dispersed across more independent organizations, any of which may hold the potential of ending the partnership by pulling out of the coalition. Skilled leadership is essential for successful internal and labor management negotiation through such events. Indeed, we would argue that the Coalition experienced another pivotal event in the form of a leadership transition just after the end of study period.

A second factor that helped sustain the Coalition was the formal agreements that governed the relationships among the unions. Of particular importance in this regard was the target clearance agreement governing organizing jurisdictions.

A third factor, suggested to us by several of our interviewees, was the strength of interpersonal bonds built up among leaders from the different unions as they worked together in an ongoing, day-to-day way as part of the partnership. While partnership created substantial challenges for union coalitions, it also created the opportunity for interaction and relationship building through regular meetings and project work.
Fourth, the uneven distribution of power among the member unions may have improved cohesion even though its first-order effect was to challenge cohesion. Smaller unions were often tempted to assume the largest coalition partner, in this case the SEIU, advanced its own interests at the expense of the Coalition’s; but one of our interviewees, a national-level leader from a non-SEIU Coalition union, argued that the coalition may have been strengthened by having one major player rather than a mix of more equal minor players:

[There are a] couple of laws of this type of inter-union deal: First, the relative weight of different unions is always on the table, [it’s] the starting point, and getting folks to weigh it in the same way is crucial. Facts can be denied or accepted by folks, so a union . . . can close its eyes to the fact that success depends on SEIU . . . and not accept this as a fact of life. In this case [the formation of the Coalition], folks got over this hump, in large part because SEIU didn’t make this hard. Second, when you don’t have a big dog, it is hard to do, or if the big dog doesn’t want to be accommodating to the others, it is hard to do.

In short, the big dog needs to hold back and to help others; but the little dogs need to realize there is a big dog. Our interviews suggest that most of the other players in the Coalition felt that the “big dog” has been reasonably accommodating.

While the SEIU had been reasonably accommodating thus far, it was less clear whether this would continue to be the case. SEIU leaders at the local and international level have made no secret of their view that there should be fewer unions in the healthcare industry and representing Kaiser workers:

[The] fundamental flaw of the KP partnership is that it shouldn’t exist. It’s as if 20 unions represented Ford and we created a structure to coordinate them. So the [Coalition] is a success, but not compared to the alternative. So we created a very expensive and elaborate structure to create what a single union would do naturally. The strength of the [Coalition] is it allows there to be a single voice in dealing with an employer in the absence of a normal way to do it—a solution to the problem, not the best solution . . . A very expensive and time consuming alternative.

—Andy Stern, president, SEIU

The SEIU was now caught in the ironic position of wielding its considerable power to reinforce and sustain a structure it viewed as the second-best alternative.

At the same time, it is clear that many occupational groups, the more professionalized ones in particular, had a strong desire to have their own
organizations that reflect their occupational cultures and pursue their particular interests. It was perhaps possible that those needs and interests could be accommodated within a larger structure, as has been the case of skilled trade workers in manufacturing unions; however, at present, many members would be dismayed by the prospect of losing their own organizations and the considerable autonomy afforded those local unions by their internationals. Ultimately, within the substantial environmental business constraints discussed further below, the future of this particular Coalition will likely depend on the strategic choices of the SEIU.

Conclusions

The story of the Coalition of Kaiser Permanente Unions is a story of multiple unions in partnership with one another and with the employer. The Coalition demonstrated great success in organizing and growth and in collective bargaining. Coalition membership grew by over 50 percent following the signing of the LMP agreement, and some individual coalition unions more than doubled their KP membership. The Coalition was able to centralize some aspects of bargaining, running counter to the trend of decentralization in most U.S. collective bargaining relationships. National bargaining resulted in two agreements that, by consensus of participants and observers, were industry-leading agreements including substantial improvements in wages and other conditions of employment for union members.

These successes in the more traditional union domains were, however, inseparable from the development of the partnership. The partnership enabled the development of a neutrality and card check agreement that facilitated new organizing. Perhaps more important, the partnership has provided a platform for business growth that protected and grew bargaining unit jobs. Survey results make clear that the vast majority of members were satisfied with their jobs, their union, and the partnership. Again, member satisfaction was entwined with partnership. Comparisons over time indicate that satisfaction increased since the partnership began and there were strong indications that workers who got involved in the partnership increased satisfaction with, commitment to, and participation in their unions.

It should also be noted that the Coalition successfully worked through several pivotal events both with the employer and within the coalition itself including weathering the wrenching split of three Coalition unions from the AFL-CIO. It appears to be doing so again now, with the successful transition to a new Coalition leader. Challenges remained. The LMP
created a heavy burden on local resources, particularly the time of local officers and staff; moreover, the Coalition unions seem to have been no more successful than many other unions in figuring out how to significantly increase active member involvement at the local level. Finally, the tensions raised by the SEIU’s view of the Coalition as a second-best alternative were unlikely to go away; ultimately, the future of the Coalition is in the hands of its largest member, a reality that keeps the leaders of the other unions off balance and distrustful.

Union coalitions like the one studied here play a critical role within a labor movement that has a rich history of independent national unions that do not perfectly match the changing structures of industries, employers, and occupations. The Kaiser Coalition provides useful lessons for building successful formal union alliances. Strong leadership, jurisdictional agreements, ongoing relationship building and structures for inter-union communication and strategizing all helped to sustain the coalition and are likely important for other such efforts. Equally important is the recognition by all institutional members that the sacrifices and power sharing required to build the whole also make the whole stronger than the parts.

REFERENCES


