

# Shaping the Future of Work: Implications for Labor Management Relations And Dispute Resolution

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I W E R

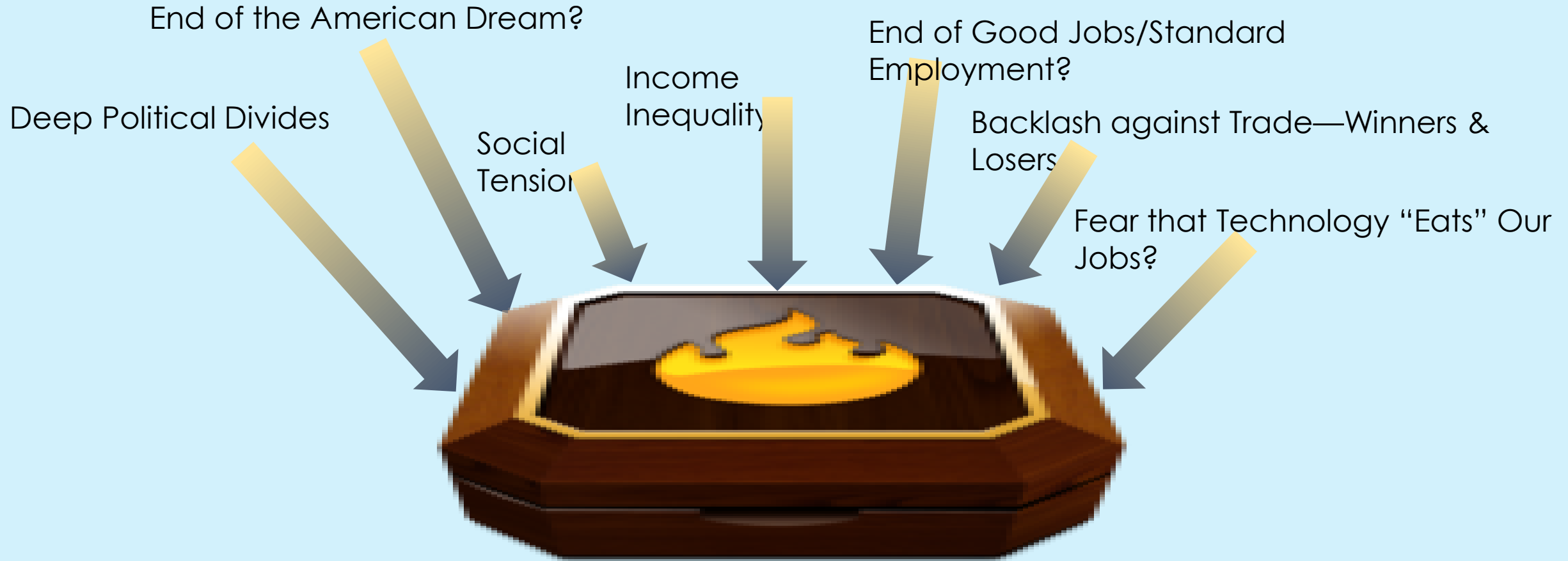
Institute for Work & Employment Research



# First, Let's put Debates about Technology in Context of the World of Work Today

- America the Divided; the World a Tinderbox
- A Broken Social Contract
- A Failing Labor Management System
- And, now: Debates, Fears, & Hype over Advancing Technologies

# We are Sitting on a Tinderbox

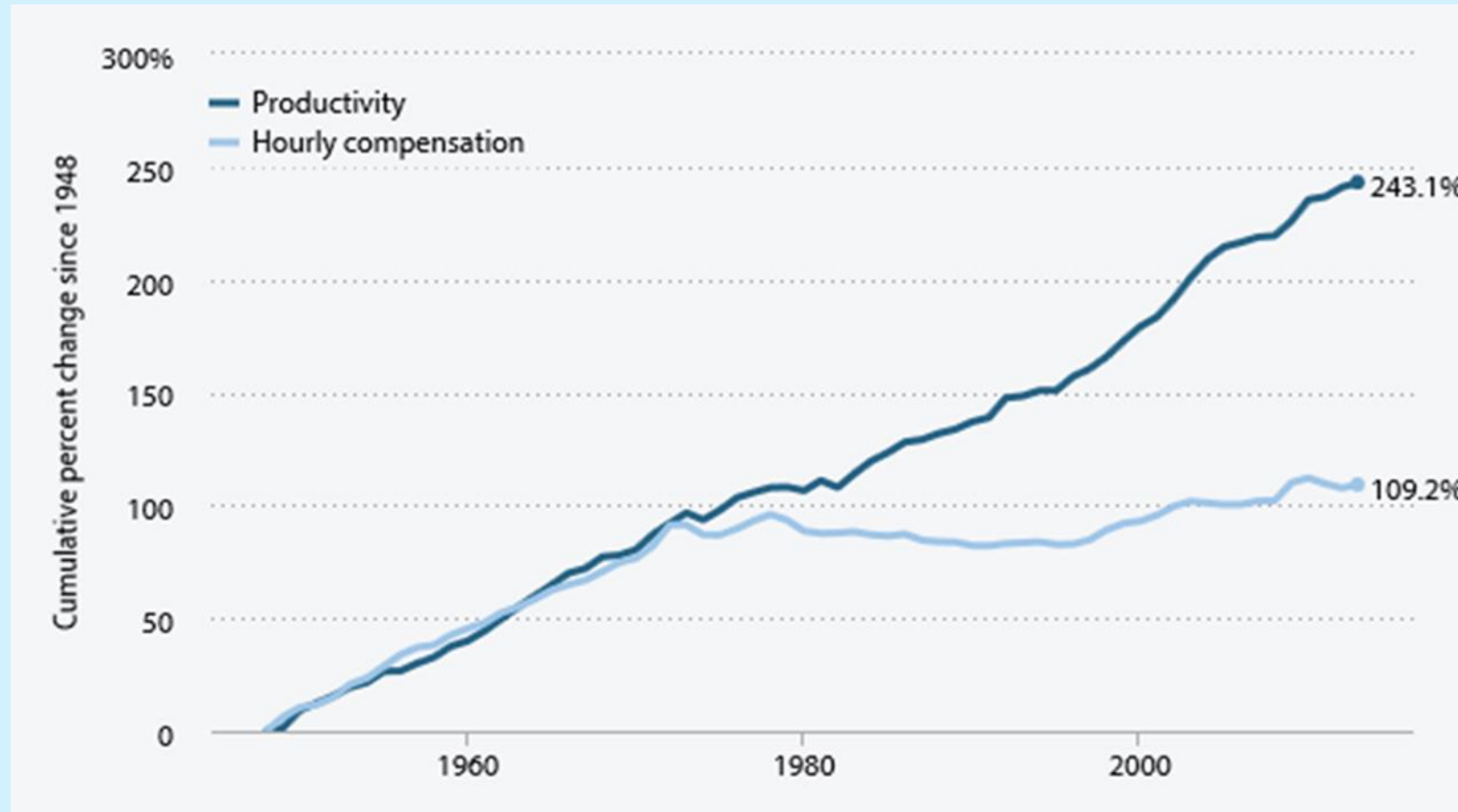


# Consider this a Call to Action

- Understand the Current Challenges
- Turn Challenges into Opportunities for Action
- Take up George Taylor's Mandate to our Profession of Neutrals

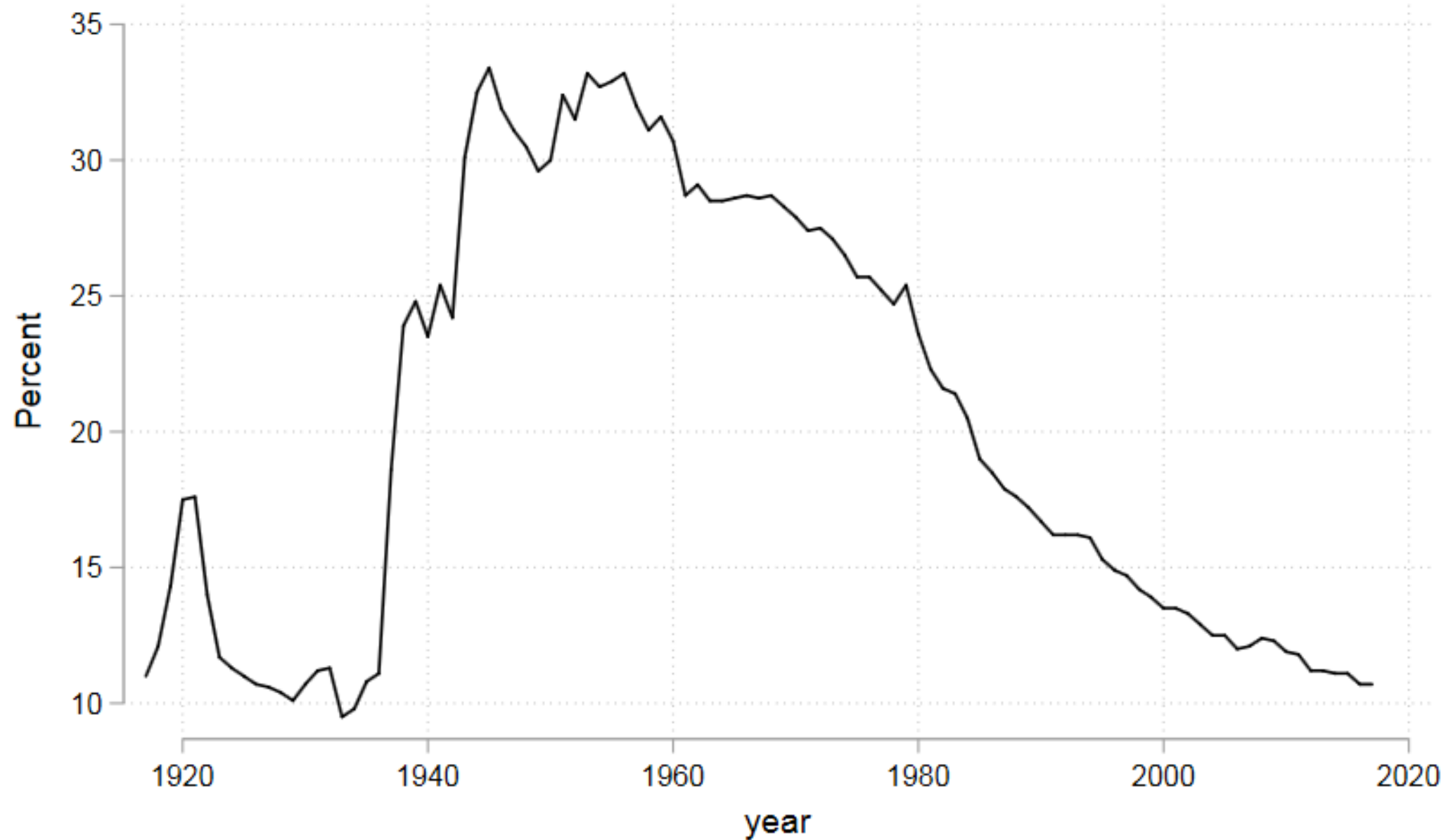
*"The Mantle of Responsibility" for Labor Management Relations*

# Wage and Productivity Growth During Post-War Social Contract: 1945-1979 and its Breakdown since the 1980s



Source: Bureau of Labor Statistics and the Economic Policy Institute.

Union membership, 1917-2017



Sources: Gordon (2013) and BLS (2018)



# But some Glimmers of Hope are Emerging

- American Workers are Waking Up
  - New levels of interest in gaining a voice/representation at work
  - Taking Direct Actions—ignoring labor law
- Growing Experimentation with new forms of worker advocacy
- Serious Rethinking of Institutions and Policies are Underway
  - AFL-CIO Future of Work and Future of Unions Commission
  - Scholars, Politicians, Workers calling for Fundamental Changes in Labor Law
  - Study Groups all over the World Debating Work of the Future



# Global Debates over the Future of Work

- World Economic Forum
- ILO
- World Bank
- Consulting Firms: DeLoitte, McKinsey, Oliver Wyman/Mercer...
- Labor Organizations: AFL-CIO; ITUC...
- Universities: MIT and many others

# Time to Shift the Debate

- From: Wild predictions of how many jobs Digital Tech will eliminate and how many it will create
- To: How do we use advancing technologies to shape the future of work in productive, equitable and inclusive ways

# MIT Task Force is taking this Approach

## Provost's Charge to the Task Force

- How are emerging technologies transforming the nature of human work and the skills that enable people to thrive in the digital economy?
- How can we shape and catalyze technological innovation to complement and augment human potential?
- And how can our civic institutions – existing and new – ensure that the gains from these emerging innovations contribute to equality of opportunity, social inclusion and shared prosperity?

# Is It about changing Tasks more than Destroying Jobs/Occupations?

Tasks can be automated to “Replace” or “Augment” Humans

*Replace  
Human Judgement*

- 5% of all jobs could be totally automated
- 45% of tasks of jobs could be automated
- 20% of CEO tasks could be automated

- 60% of current jobs could be partially automated
- Task changes in other higher wage jobs: physicians, financial planners, lawyers

*Augment/Aid  
Human Judgement*

- Highest productivity has come by integrating human knowledge/skills with technology

**It is workers who give wisdom to the machines**

– Japanese Lesson

(Evidence from Autos, IT, Health Care Research)

# Elements of an Integrated Technology and Work Strategy

1. Define the Challenge: Make Technology Work for All in Society:  
*What problems are we trying to solve?*
2. Shift from sequential to an Integrated Technology and Work Design Process  
*“It is workers who give wisdom to the machines”*
3. Train before the technology is deployed  
*Make Lifelong Learning a Reality for All*
4. Compensate those most adversely affected:  
*We cannot afford another winners and losers scenario!*

[For Details, see Thomas Kochan and Lee Dyer:  
https://theconversation.com/robots-wont-steal-our-jobs-if-we-put-workers-at-center-of-ai-revolution-82474](https://theconversation.com/robots-wont-steal-our-jobs-if-we-put-workers-at-center-of-ai-revolution-82474)

# What's the Problem and Who Decides?

- Driverless Cars or more Efficient, Safer, Accessible Transportation?
- Lights Out Factories (100% robots, no humans need apply) or optimal technology-human collaboration “Cobots”?
- User/Worker Led Innovation or Vendors, Technologists...
- AI Expert Vivienne Ming:
  - Technology is too important to leave to the technologists

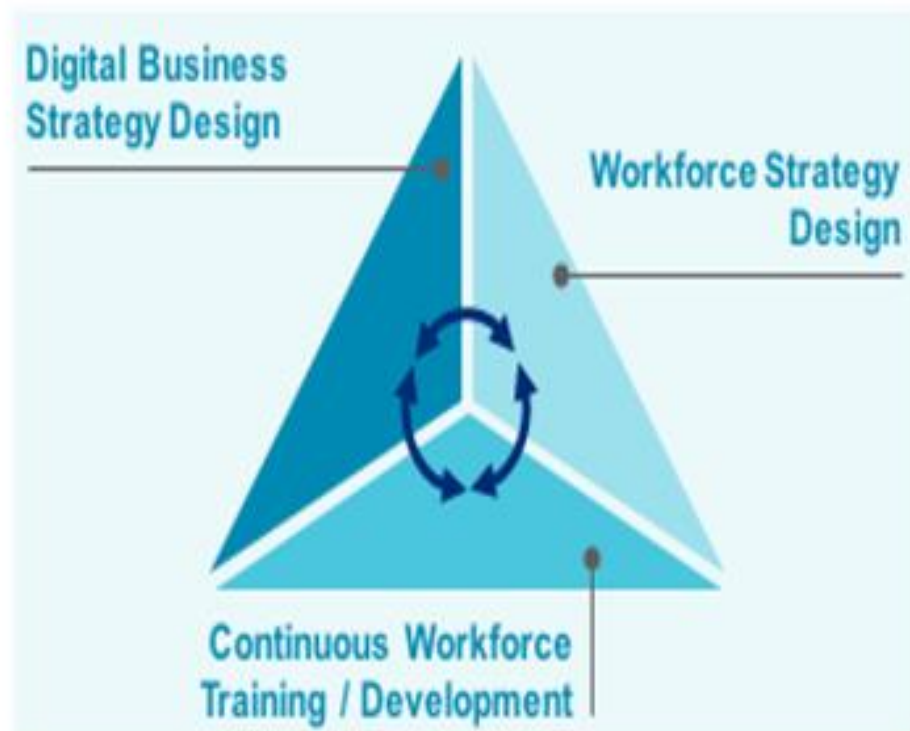
# Two Models for Managing Digital Transformations

(Developed with Mercer and Oliver Wyman Consulting Organizations)

## TRADITIONAL APPROACH SEQUENTIAL PROCESS



## NEW APPROACH INTERRELATED PROCESS



# Training & Workforce Development for the Digital Age

- Train *Before* the Technologies Arrive
  - Expand & Adapt Apprenticeships: Industrial Manufacturing Apprenticeship
  - Solve the Market Failure for Training: Engage Employers, Unions, Educators
  - Transform “Life-Long-Learning” from Rhetoric to Reality
- Train for “Hybrid Skills”: Technical & Analytical +Social-Behavioral



# A Proposal to the World Economic Forum

1. Endorsement of Integrated Technology-Work Resign Strategies
2. Industry engagement/support for vocation schools to prepare workers for jobs of the future
3. Training of current workforce in hybrid skills before technology comes—across full supply chain
4. Engagement/empowerment of the workforce to have a voice in “digital transformation” strategies
5. Special attention to refresher training those re-entering paid workforce (e.g., following family leaves)
6. Comprehensive adjustment programs for displaced workers

# Avoiding Another Winners-Losers Scenario

- Reverse Trend in Private Sector Training: Regional Consortia
- Move up from Bottom Ranks of OECD Countries in Labor Market Adjustment Policies
- Invest in Regional Economic Re-Development
  - Close the Rural-Urban Divides
  - Digital and Physical Infrastructure Investments
- But please:
  - Save us all from the Universal Basic Income Follies

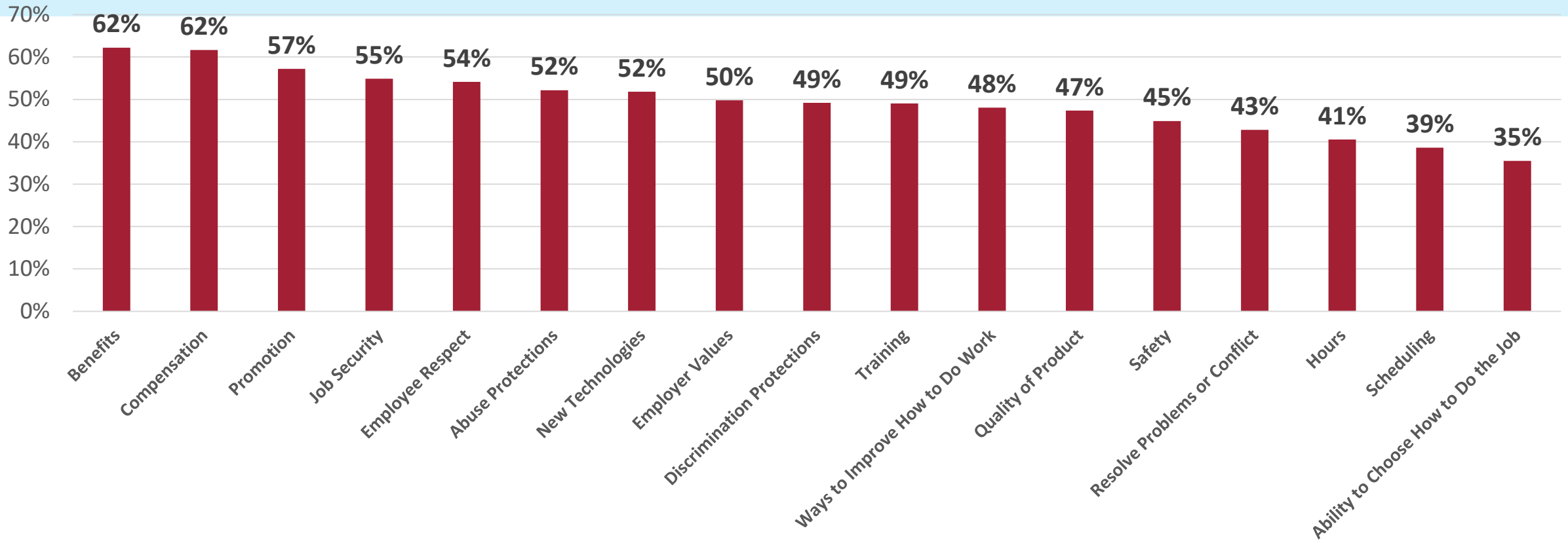
# **If this is the World of Work Today, What American Workers are Telling Us?**

- Via Two National Surveys
  - 2017 National Workforce Survey on Worker Voice
  - 2018 National Workforce Survey of Worker Preferences for Different Types of Labor Representation
- And by their Actions!

## Bottom Line Summary: What American Workers are Telling Us in the Surveys

- Workers Still want a Voice—on broad array of workplace issues
- But, Large Gaps in Voice Persist
- No Single Voice/Representation Option will fill the Gaps
  - **Unions & Collective Bargaining Continue to be in High Demand**
  - **New Options needed to Complement Unions and Collective Bargaining**
  - **Worker Expectations are way ahead of Labor Law, Labor Unions, & Employers!**

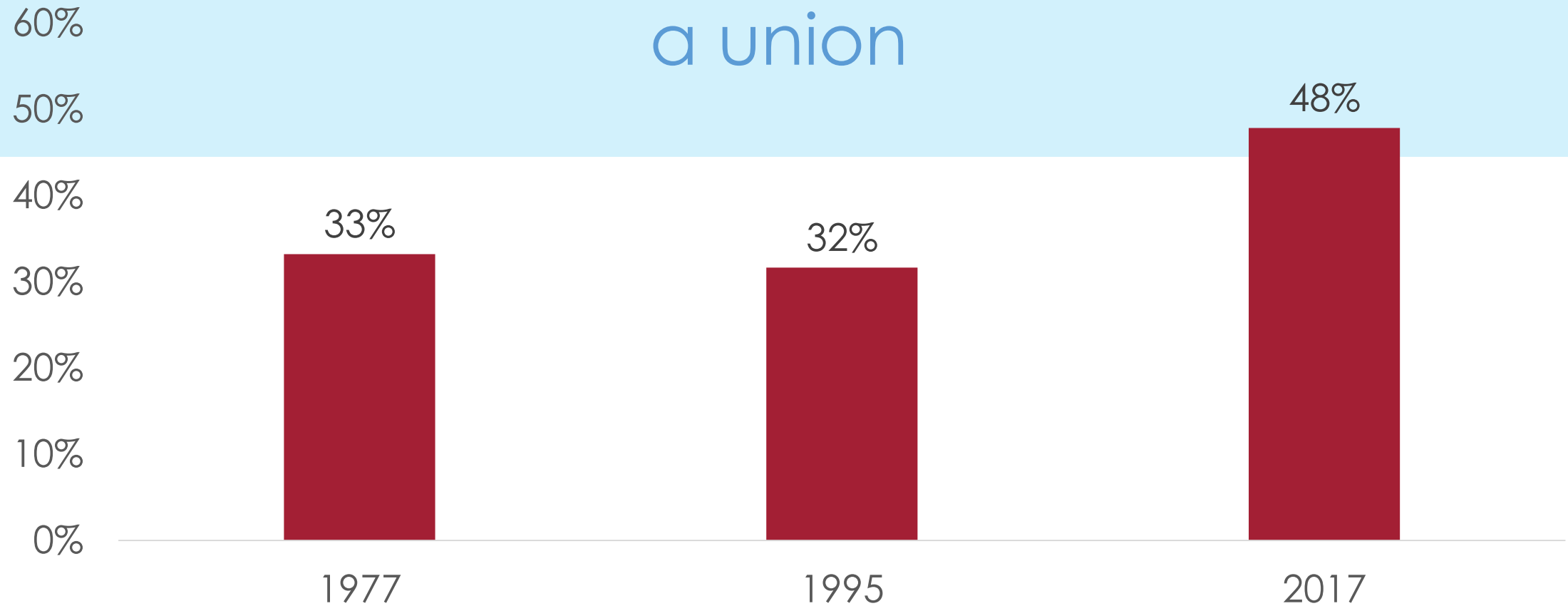
# Voice Gap: Percentage of Workers with Less Involvement than They Want



*Notes:* Calculated as the share of respondents who, on a given issue, rate higher on how much say they ought to have compared to how much say they actually have.

*Sources:* Adapted from Kochan et al. (2018). Data based on Kochan et al.'s analysis of Worker Voice Survey.

# Percent of nonunion workers who would vote for a union

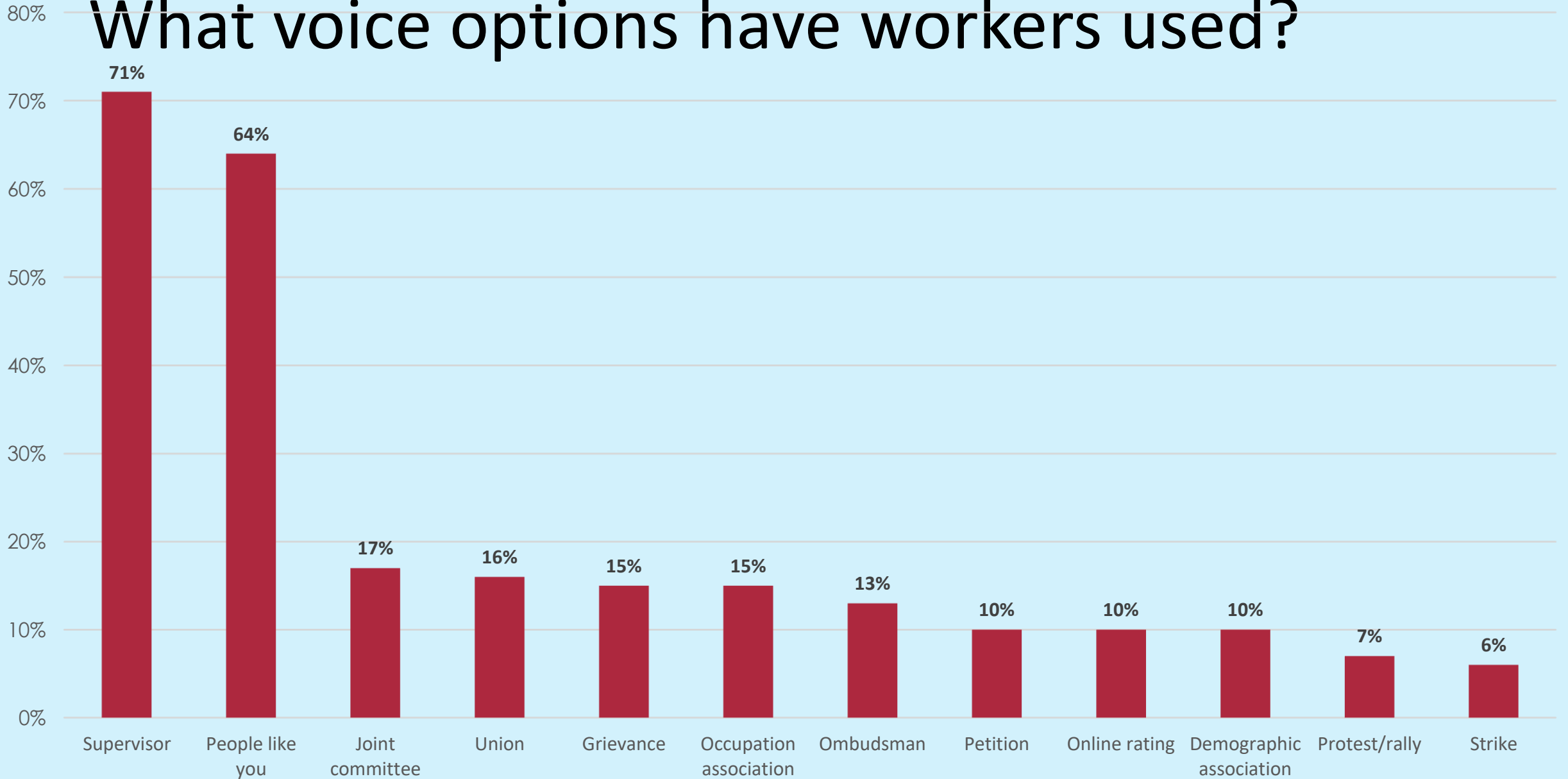


*Notes:* Each year's sample excludes self-employed. The 1995 sample also excludes all management occupations.

*Sources:* Adapted from Kochan et al. (2018). Based on Kochan et al.'s analysis of 1977 Quality of Employment Survey (Quinn and Staines 1979), Worker Representation and Participation Survey (Freeman and Rogers 1999) and 2017 Worker Voice Survey data. Data for 1995 were pulled from Freeman and Rogers (1999, 99).

## USE OF VOICE CHANNELS

# What voice options have workers used?



# Exploring Worker Preferences for New Labor Representation

**ALEXANDER HERTEL-FERNANDEZ**

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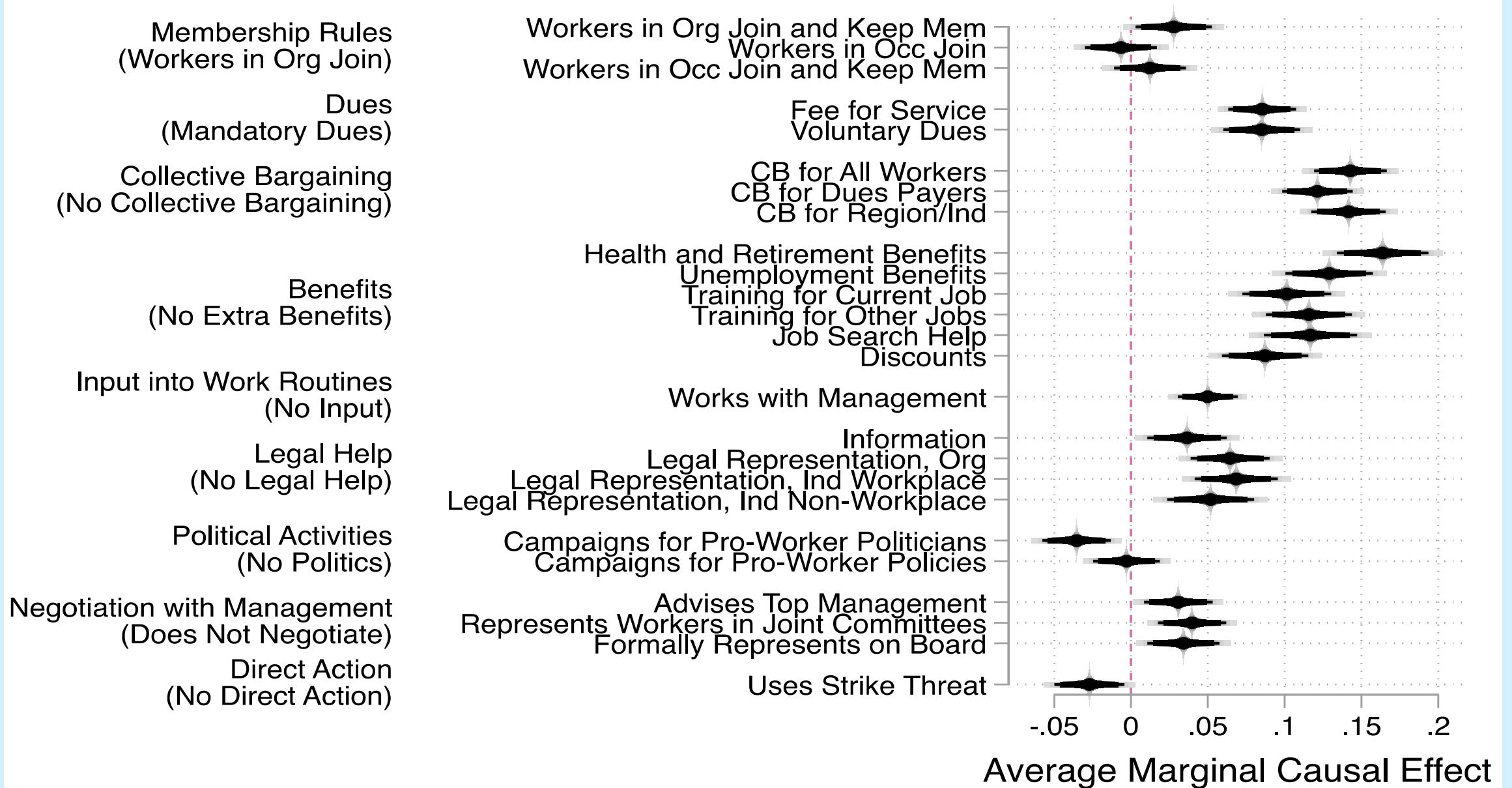
**WILL KIMBALL**

**THOMAS KOCHAN**

MIT SLOAN SCHOOL OF MANAGEMENT



# Which labor organization would you join? (0/1)



# Summary: What Features Don't Workers Like?

- Strikes
- Political Lobbying
- Support for Political Candidates
  
- Note:
  - Stronger negative effects on these issues from Republicans than Democrats
  - Stronger negative effects from higher educated workers

# What Combination Generates Greatest Support?

Collective Bargaining

+

Individual Labor Market & Legal Services

+

Voice in Workplace Improvements & Org.  
Governance

# And Now---Workers are Leading the Way

- Teachers: Bargaining for the Common Good
  - WV, OK, KY, CO, AZ
  - Los Angeles, Chicago



# UNITE-HERE Hotel 2019 Agreements—Las Vegas to Boston! (What happens in Vegas doesn't stay in Vegas)

- Workplace:
  - Sexual Harassment Protections
- Immigrant Protections and Holiday for Achieving Citizenship
  - Traditional Bargaining-Economic Issues
    - Substantial (20% over 4.5 years) wage increases
    - Maintenance of health and pension programs...
  - Strategic—New Approaches on Technology
    - Advance notice of technology plans
    - Early engagement in design decisions
  - Enhanced training—before technologies hit the workplace
- Strengthen workforce adjustment/compensation for job losses

# Then the Google Workers Spoke

- End forced arbitration for sexual harassment claims
- Commit to end pay and opportunity inequality
- Publicly disclosed sexual harassment and transparency report
- Clear, uniform, globally inclusive process for reporting sexual misconduct safely and anonymously
- Promote chief diversity officer to report directly to CEO
- Appoint employee representative to board of directors

# And Remember Market Basket

- “Six Week Strike” that broke all the norms and rules
  - Executives, store managers, clerks, drivers, warehouse workers
  - Customers boycotted and supported
  - Major media event
  - The Issue: Rehire fired CEO to “Save Market Basket”
- No union recognition,
- No bargaining unit,
- No protection for managers and supervisor
- Non-mandatory subject of bargaining,
- Customers & Public as Sources of Power....



# Summary

Today's Workers Want Access to a **Diverse Set** of Voice Options to:

**Influence and Improve their Work, Career, and Life Interests**

**And**

**Contribute to the Success of their Employer & Serve Their Customers**



# Implications for Labor-Management Relations

- No one sized shoe fits all: Expand options for voice & representation
- Expand the Scope of Issues: Voice in Technology Design
- Expand Range of “Workers” Protected by Labor & Employment Laws
  - Contractors, Independent Contractors, Domestic Workers....
  - Supervisors & Managers
- Reconsider Embedded Labor Law Doctrines...
  - Unit Determination
  - Union Jurisdictions
  - Union-non union lines
  - Determination of Employer(s)

# Implications for Dispute Resolution

- Reclaim Arbitration's Reputation: Time for another Due Process Protocol?
- Recommit to George Taylor's Vision: Neutrals as Problem Solvers as Technological Changes bring a host of "new" issues
  - Who will do the work? Contractors, bargaining unit, other union, non-union employees, vendors, specialized new firms...?
  - Who owns personal data?
  - Who owns critical business data?
- How can we put AI, Big Data, & other Digital Tools to Work in Negotiations, Mediation, Facilitation, and Arbitration?

So....

Let's get to work and make  
George Taylor proud!