Introduction: Amplifying Worker's Voices in an Evolving Economy

<u>Gabriella Chiarenza</u> is the managing editor for *Invested* and Regional and Community Outreach at the Federal Reserve Bank of Boston.

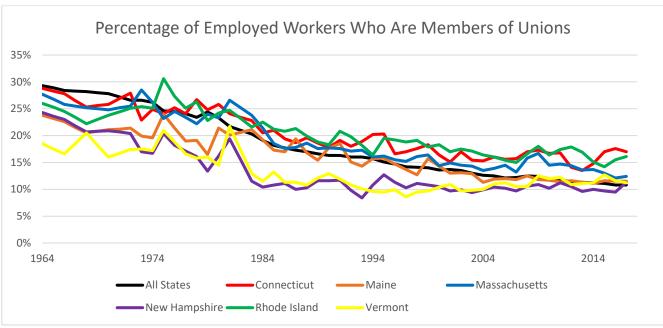
Hardworking New Englanders deserve high-quality job opportunities, those that enable them to grow in their careers, explore and capitalize on their skills and talents, and contribute to the stability and prosperity of their local economies. With this in mind, our work around employment in community development at the Federal Reserve Bank of Boston centers on better understanding and expanding access to the elements that comprise a quality job opportunity, including livable and stable wages and benefits, safe and supportive workplace conditions, predictable work schedules, and the opportunity to have one's voice heard on the job and to influence company or sector decisions. In our first series of issues here in the pages of *Invested*, we are digging into some of these elements and speaking with experts around New England to understand what quality work looks like in action in our region, lifting up some of the innovative and exciting practices we discover along the way.

In this second *Invested* issue exploring the essential elements of quality work, we ask our interviewees to share with us what worker voice looks like in New England today. Broadly considered, the concept of worker voice falls into three categories—representation, empowerment, and engagement, with some overlap among them—and takes many forms. Worker voice is workers' freedom and ability to represent their own interests on the job or have those interests fairly represented by a larger collective. It is workers feeling empowered to raise concerns or shine light on problems to address any adverse conditions or terms surrounding their employment. And it is workers being valued for their skills and talents and engaged by their employer to contribute their ideas alongside management to company visioning, process improvement, and project development. In all three cases, strong, thoughtful, and well-executed worker voice can help companies to solve problems and build success, decisionmakers to develop policies to ensure workers are safe and treated fairly on the job, and workers themselves to build their careers and influence company decisions.

We spoke with a variety of workers, business leaders, scholars, organizers, and innovators in New England and beyond to better understand the vital role that different forms of worker voice play in fueling high-quality work opportunities and illuminating employers of choice. As we learn in our conversations in this issue, true worker voice springs from a long, proud, and hard-won history in the United States and wields great power in its increasingly diverse forms today.

For much of the twentieth century, collective bargaining through traditional labor unions served as the main outlet for worker voice in the U.S. Strong unions emerged from years of violent and chaotic conflict between workers and their employers and in response to the shock of the Great Depression, when some American workers began to doubt the leadership of the corporations for which they worked. In 1935, the National Labor Relations Act (NLRA), also known as the Wagner Act, solidified workers' right to join unions, laid out the legal framework to challenge nefarious business practices around organizing and bargaining, and armed labor unions with a newfound political importance. As a result, union membership grew enormously through the

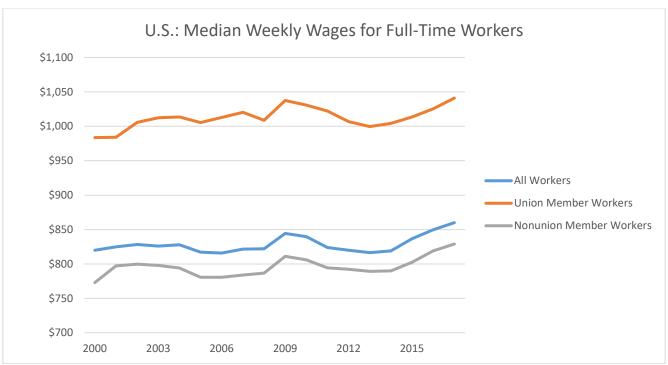
mid-1950s as workers embraced this new collective power. The proportion of the American workforce that belonged to unions peaked in 1945 at 34 percent—meaning about one in three workers were union members—and total union membership reached an apex of roughly 16.3 million workers in 1953.



Source: Hirsch, Barry T. and Macpherson, David A. Union Membership and Coverage Database from the Current Population Survey. Last updated: January 2018. http://unionstats.gsu.edu/

Unions offered myriad benefits to their members and the workforce at large. By mid-century unions had helped to build a strong American middle class, ensuring workers had stable jobs, valuable benefits, and higher wages than nonunion workers in many industries. Even workers who did not join unions saw a ripple-effect hike in their pay in regions where unions were a major force. Unions sought to address what some saw as an imbalance of power between workers and their employers, and to empower workers with political importance and greater influence over workforce policies. Union membership also played a key role in leveling the playing field and enabling previously marginalized workers to rise into steadier, better-paying jobs. African Americans joined unions at a higher rate than any other group, with one in four black women and 40 percent of black men belonging to unions by the 1970s; they still have the highest rates of union membership of any racial group in the United States today. This significant African American presence in unions contributed to a narrowing of the wage gap between black and white workers as unions grew. Many immigrant workers in America also joined unions during the height of union growth, and reaped the benefits of membership in pay, benefits, and standing in the workforce.

Yet from a membership peak of one in three American workers, unions have seen a slow and significant drop in participation, with union members making up just under <u>seven percent</u> of the private-sector workforce in the United States today. In 1947, Congress passed the Taft-Hartley Act, limiting some union activity around strikes and allowing states to become "right to work"—meaning nonunion workers whose companies were

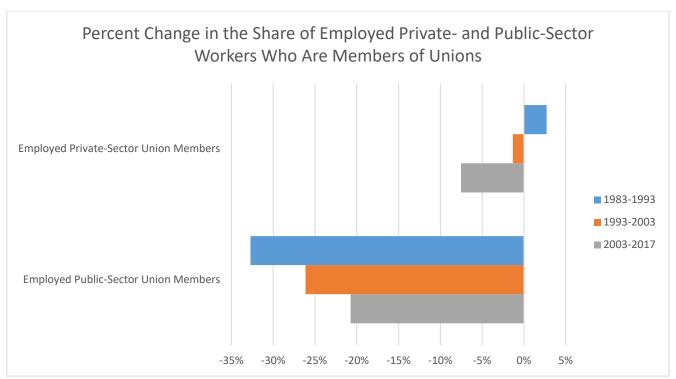


Source: Bureau of Labor Statistics. Labor Force Statistics from the Current Population Survey. https://www.bls.gov/cps/cpslutabs.htm

covered by union contracts, and to whom benefits accrued even as nonmembers, would not be required to pay union dues—a key turning point in union decline, even as union membership was still growing through the post-war era. From there, a combination of internal missteps, shifting economic forces, evolving business and workforce structures, and political decisions pared union presence down to its current diminished state, with sometimes devastating consequences for the American middle class.

Some scholars point to unions' own actions—or inactions, in some cases—as crucial factors in their decline. Through their heyday, unions focused on consolidating their power within a limited set of industries such as transportation and utilities, and in select geographies—the Northeast, Midwest, and Pacific Coast—rather than expanding their membership and influence in other regions and sectors, which would ultimately shrink their ranks as U.S. manufacturing declined, the service sector grew, and population bloomed in the American Sunbelt. Other research emphasizes the role of globalization, competitive pressures on businesses, outsourcing, and technological change through the latter half of the twentieth century in rendering traditional labor unions less significant in the modern economy.

Some <u>labor experts</u> point to major political shifts such as industry deregulation, some politicians' turn away from unions—notably, President Reagan abruptly ending a major 1981 air traffic controllers' strike by firing all of the striking workers—and a rise in antiunion business practices among some companies alongside lax NLRA rule enforcement as the beginning of the end for unions. The decline of unions had serious consequences for union workers; for example, the wage gains that African American workers won through their union participation <u>fell away</u> as unions shrank, with black women and men's pay falling alongside that of white male



Source: Hirsch, Barry T. and Macpherson, David A. Union Membership and Coverage Database from the Current Population Survey. Last updated: January 2018. http://unionstats.gsu.edu/

workers in sectors with a traditionally strong union presence. Yet other scholars observe that worker interest in unions dropped off in some respects as many <u>businesses</u> began expanding the role of human resource departments in matters that unions may have previously dominated, and as some companies started exploring in-house worker-engagement strategies such as employee ownership, profit sharing, and opportunities for employee participation in workplace decisionmaking committees.

At the same time, alternative methods of organizing and lifting worker voice emerged outside of unions in the United States for multiple reasons. Domestic workers and farmworkers were excluded from NLRA protections from the beginning, preventing them from forming unions at all. Some workers feared the retaliation they could face if their attempts to establish a union at their workplace failed, and sought other vehicles for making their voices heard. Worker centers have been a critical resource for these workers, providing them with education, confidential assistance, leadership training, and most importantly, a space to come together as workers who have largely been hidden from view on a day-to-day basis to share their stories with one another and with the public and build power and influence.

As the workforce has grown more diverse, some workers have gravitated toward organizations and affinity groups based on common identities—race, gender, ethnic background—rather than those like unions that are based on industry affiliation. Other workers and organizers have embraced a coalition strategy that aligns community and worker interests to build influence in addition to or fully outside of traditional labor unions and, therefore, outside of the regulations unions must work within.

The workforce has also changed dramatically in recent years, with more Americans joining the gig economy, working on contract or through temp agencies, or finding themselves in jobs that take them from worksite to worksite, all of which make the traditional union approach of bargaining with a single employer in a common workplace far more difficult, if not impossible. Additionally, technological advancements have spurred innovative approaches for workers to communicate with one another, network, and develop petitions and campaigns through social media, apps, and websites. These resources enable employees of global companies with workplaces around the world to find one another and organize online, with a reach far beyond that of a traditional labor union.

Businesses and management have also introduced engagement strategies in their own firms to help ensure workers are heard and involved in company decisions and direction, that valuable feedback is incorporated, that employees know one another's strengths and interests, and that they feel ownership of their work and even the company, in some cases. Within businesses, these strategies may take the form of employee councils and committees, feedback loops, open-door and open-book policies around employee concerns and finances at the company, employee stock ownership plans (ESOPs), and leadership and strengths-based training.

For these companies, respecting and incorporating employees' views is part of a larger philosophy of inclusion, empowerment, and commitment to the growth and wellbeing of employees at the company. At the same time, there are also financial and productivity upsides for businesses that embrace such practices. Improved employee engagement leads to lower turnover, greater value reaped from training, placement, and career advancement, and more efficient and effective processes and greater creativity from workers who are empowered to work on what they do best and who are better connected with one another and with management. Our interviews with a few of these companies in this issue suggest that workers in these engaged environments are proud of what they do and where they work, that they feel respected for their work, and that they have a stake in the success of the company overall.

While these are all exciting and promising ways that workers can gain greater voice in their workplaces, industries, and communities, their emergence while unions have declined does not mean that unions have no future or less value in promoting worker voice. After all, recent surveys show that even as union membership slips, a significant portion of surveyed nonunion workers would be interested in joining a union were one available to them. Therefore, union success and advancement going forward will likely have much to do with how flexible and responsive unions are to a changed economy and work landscape in the U.S. today. As Richard Freeman and Kelsey Hilbrich astutely note, "What we know from past union growth spurts is that to meet the needs of workers in a crisis, unions have to reinvent their structures, strategies, and tactics. If unions have a future in the U.S., they will not be your parents' or grandparents' union movement but one that fits today's internet-based society, global economy, and financial world."

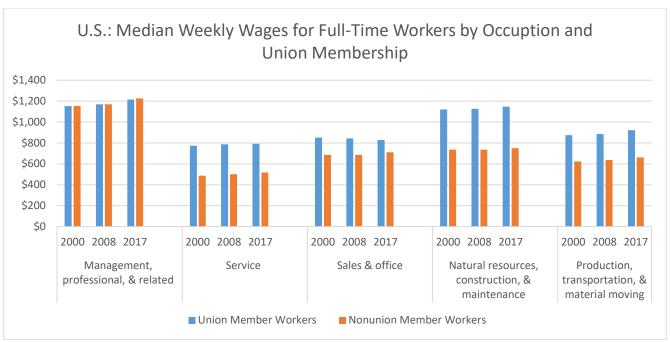
Unions have evolved and reinvented themselves in the past, and they are experimenting with more modern approaches today. Some are innovating to meet the challenge of bringing together a more scattered workforce full of gig workers, temps, and independent contractors around a shared cause. For example, the International Association of Machinists (IAM) is organizing fishermen in Maine through the first-of-its-kind lobstermen's union and cooperative, as profiled in this issue of *Invested*, and the Service Employees International Union



Source: Hirsch, Barry T. and Macpherson, David A. Union Membership and Coverage Database from the Current Population Survey. Last updated: January 2018. http://unionstats.gsu.edu/

(SEIU) has organized traveling home health workers by going door to door to find them and get them involved. SEIU also has created a community action body within the union for those who may not currently be in a union job, as service workers often cycle through multiple jobs with different arrangements. The community action body allows them to take part in policy campaigns and other union causes and stay up to date even during the employment periods in which they are not under a union contract.

In addition, as larger and larger shares of the workforce have become dominated by women workers, workers of color, and immigrant workers, many unions are doing more outreach to engage and embrace these workers and are adapting to their needs and interests as union members. While it has been a long time coming for some of these unions, their membership ranks and, increasingly, their leadership have become more and more diverse. Workers under 35 are also the largest component of new membership for unions. And white-collar workers in fields such as journalism, academia, and medicine are establishing unions of their own. These demographic and industry shifts mean that the blue-collar dominance of the traditional union landscape is expanding to include white- and pink-collar workers in their own ways as well.



Source: Bureau of Labor Statistics. Labor Force Statistics from the Current Population Survey. https://www.bls.gov/cps/cpslutabs.htm

Regardless of the evolving and adapting forms it comes in, effective worker voice—being respected and valued at work and heard and included in workplace decisionmaking—remains a central factor in identifying high-quality job opportunities and employers of choice. Our conversations in this issue of *Invested* highlight some of the many ways worker voice is incorporated and celebrated in today's work landscape, from traditional unions to those with a newer twist, from coalitions to grassroots organizations, from technological innovations to employee ownership models and far beyond. As the very form and nature of work change rapidly before us, it is clear that keeping workers well-represented, empowered, and engaged through these evolutions means embracing creativity and adaptability to ensure workers are safe, productive, fulfilled, and free to innovate come what may in the future of work.

"There is a lot of power and creative potential in an effective combined labor and management group working together to solve a particular problem, and it really reinforces the value of this kind of constructive voice, where we can disagree respectfully, stay focused on the problem, and find either a compromise or more often a creative solution that hopefully moves us all forward. I think that's what we need to restore in this country." – Tom Kochan

"We need to have both the high-touch model of traditional unions and the high-tech model of new labor organizations together, and I don't think anyone's figured out how to do both yet. I think that's something valid to chase after on behalf of workers to build scale and power." – Megan Larcom

"I think worker voice is important because it's a way of rebalancing power. For our generation the gaps in income and wealth are major concerns, not just for ethical reasons but as we look at the state of democracy in America and the state of the American economy with the erosion of the middle class. So it feels like there's nothing more important that we could be focusing our energy on right now." — Jenny Weissbourd

Tom Kochan is the co-director of the Institute for Work and Employment Research at the Massachusetts Institute of Technology Sloan School of Management. **Megan Larcom** and **Jenny Weissbourd** are graduate students completing dual degrees in business and public administration at MIT's Sloan School of Management and Harvard University's Kennedy School of Government.

Q: What is the MIT Institute for Work and Employment Research and what issues are you looking into there?

TOM KOCHAN: The Institute for Work and Employment Research started as a group that focused on labor market issues and labor management relations, and as the world of work has changed we've expanded and now we also look at a whole range of issues in human resource management and work-family integration. Our research is all focused around trying to make work better, more equitable, more efficient, and more productive. Fundamentally we believe in the dignity of work and the value of work in our society, and we believe very deeply in the importance of worker voice—that workers have a big stake in their jobs and their employment relationship, and so they ought to have a voice in shaping how they work.

Q: How would you define worker voice?

MEGAN LARCOM: To me it's a person who is working and creating value for our economy being recognized as such, and having the personal agency to influence his or her life, a lot of which is played out inside of a company. Worker voice is the ability to advocate for interests—individually and collectively—to make work better for you and everyone around you.

JENNY WEISSBOURD: When I think about worker voice, I think about outlets for workers to express needs and priorities at work, to build a more equitable distribution of power between frontline employees and managers. I also think about pushing back on the tendency for frontline workers to be talked about as a cost instead of as an asset. Worker voice gives workers the opportunity to contribute to the health and growth of a company in a way that's beneficial to the employers as well as to the workers themselves.

Q: What are the different forms of worker voice that you've come across in your work?

TK: The traditional form of worker voice in the U.S. is the labor union. Our national labor policy established in the 1930s says collective bargaining is the preferred way for labor and management to resolve issues in the workplace, to set wages, hours, and conditions in joint determination through collective bargaining, and that policy's been in place for many years. The reality, though, is that unions have been declining, so now there's a search both for ways to renew the labor movement and help it to fit better with today's economy and workforce, as well as for new alternatives.

ML: So that being said, Jenny and I embarked on an independent study with our colleague Jeremy Avins and apart from looking at unions, we noticed a few other forms of worker voice—sometimes known as "altlabor"—springing up across the U.S. Two of those forms may be familiar to those within or studying labor movements. Worker centers are advocating in a high-touch manner for employees in place-based or population-specific communities without access to strong advocates. We also see coalition building, which is being driven by unions through campaigns like Justice for Janitors and Working America.

What we were most excited to see are some new forms of worker voice bubbling up. Some of these are forms of worker ownership or codetermination in the workplace. We think about codetermination as ways that employees and management can work together to influence the future of a company. For example, the Independent Drivers Guild and Uber in New York City work together to advocate for drivers through a works council, tackling issues important to drivers (such as tipping) and to customers and company (such as the efficacy of the drivers' app). Workers can also build power for themselves and influence the direction of their work if they have a stake in the ownership of a company. The Maine Lobstering Union, also called Lobster 207, is a good example of how we can change the dynamics of power in the economy through ownership.

There are a handful of organizations that might not self-identify as worker voice efforts or alt-labor but are arguably playing a role in decreasing information asymmetry. Workers often do not have access to most of the information that they need to understand what their rights are or what constitutes a good employer or a bad employer. Organizations like Glassdoor are basically equalizing access to that kind of information so that workers can make better-informed decisions.

And then finally there's another less-defined group out there that we see, which are organizations building platforms to connect workers. They are trying to reach the scale that unions have traditionally had, but they are doing it in a different way—instead of door-to-door organizing they are using platforms (often involving technology) to try to identify common interests and connect people who wouldn't otherwise know that they share similar experiences. These organizations include Coworker.org, the Freelancers Union, and OUR Walmart.

We came into this work looking for totally new forms of worker voice that were outside of the union structure and the collective-bargaining framework. Yet, we found that many of the newest forms of worker voice are actually incubated or influenced by a union organization, either by people who once worked for unions coming in to create new interventions, or by actual unions opening up and trying new approaches, which is really exciting.

Q: Why do you think it's important for workers to have a voice in the workplace?

JW: I think worker voice is important because it's a way of rebalancing power, particularly in this moment when wealth and income inequality are such pressing issues in the United States. For our generation those gaps are major concerns, not just for ethical reasons but as we look at the state of democracy in America and the state of the American economy with the erosion of the middle class. So it feels like there's nothing more important that we could be focusing our energy on right now. On a more granular level, historically worker voice has helped to establish standards in terms of wages, hours, working conditions, and health and safety at work. But beyond advocating for those basic standards, many organizations lifting up worker voice now are also calling for greater respect and dignity for workers and the chance for workers to become more productive and influential contributors in the workplace.

TK: Absolutely. This area of research is built on a very simple premise: you can't have a viable democratic society if people have to leave their voices at the factory gate, as we used to say, or at the office door, perhaps, today. If you talk to individual workers, the kind of respect that they get and self-respect that they find when they can experience voice, when they can express their concerns and see that they can solve problems for themselves and for others, that's the most beautiful thing you can see in a workplace. There is a lot of power and creative potential in an effective combined labor and management group working together to solve a particular problem, and it really reinforces the value of this kind of constructive voice, where we can disagree respectfully, stay focused on the problem, and find either a compromise or more often a creative solution that hopefully moves us all forward. I think that's what we need to restore in this country.

Q: Are there new or emerging pressures or changes in the nature of work or in the workforce itself that make this a particularly important and possibly also more difficult time for workers to have a say in working conditions?

ML: Labor law is ossified today. It just doesn't work. First, for employees who want to form a union, there are so many legal hurdles. The chances of that happening are 20 percent if management doesn't protest the due process of organizing, and if management does protest the chances drop to 10 percent. The fact that the law and the processes surrounding that law are not working is a huge problem, and I think over time that's a reason it's become so ineffective. Second, there's also been a change to the structure of work in our economy, with many large corporations outsourcing noncore activities and using contract labor. Labor laws do not protect all types of workers equally.

JW: The rise of automation, the movement toward flatter organizations, cultural shifts away from joining membership organizations—frankly there are so many factors that it's hard to isolate one or even a few because so much is changing. I think it's easy to talk about all these negative forces, but at the same time, the sense that we've had as we've been undertaking this research is that it's a tremendously exciting time to be looking at this too. The labor movement is pretty self-aware about the fact that it's in crisis, and it's sort of a "Phoenix rising from the ashes" moment where you have all these new organizations that are testing really bold interventions and talking in new ways about what the labor-management relationship could look like.

TK: There are two fundamental effects of the decline of worker voice that we're living through right now. One is the enormous level of income inequality. The decline of unions isn't the only cause, of course, but it's intertwined with globalization and technological change, and it accounts for maybe 20 to 30 percent of the

present income inequality we're experiencing as a country. That's just not sustainable in the long run. The second is the threat to our democracy. The fact that so many people are frustrated and there are such deep divides and no channels at work or in society to express those concerns in a constructive way leads us to the political situation that we're experiencing today, and that too is not sustainable for a viable democracy or a strong economy.

Q: Tom, can you tell us a bit about your <u>recent study</u> on worker voice? What questions did you hope to answer?

TK: We felt that it was really important to take stock of where worker voice is in the country today because we haven't done that for a couple of decades now. So we commissioned a national workforce study of a representative sample of workers. We asked them, "How much of a say or influence do you think you *ought to* have at work?" on a whole range of workforce issues including wages, safety, dignity and respect, protection against discrimination and abuse, and influence over the products and the technology that they use. And then we asked them, "How much influence do you *actually* have?" so we could calculate whether there's a voice gap, as we call it. Finally, we asked them a bunch of questions about the methods that they might be using or wanting to use to raise their voices at work.

Three things stood out in the survey results. The first is that there *is* a voice gap and it's sizable, and it's greatest unsurprisingly around the issues of fringe benefits, wages, job security, promotions, and respect. Over 50 percent of the workforce indicates that there's a gap and that they have significantly less voice on the issues than they think they ought to have.

The second thing is that while the labor movement has gone down from a peak of 30 percent or so in the 1950s all the way down to about 11 percent generally and even lower in the private sector today, interest in unions has gone up. One of the questions that we asked of workers who were not unionized at the time of the survey was, "Would you join a union if given the opportunity?" In a 1970s survey, about 33 percent said yes to that question. In the 1990s some colleagues replicated that question and found that 32 percent said yes. That same question now generates a 46 percent response of the nonunionized workforce saying they would join a union if they could. If you add up all those workers that's about 55 million people who are looking for union representation in the workplace.

The third finding is more challenging, and that is while there's *interest* in a whole variety of internal mechanisms from ombudsmen helping to solve problems with grievance procedures, to joint worker-management committees, to worker affinity groups of people with similar ethnic, racial, or gender backgrounds and so on, there's not much *use* of those yet. Less than 20 percent have access to those options, so we've got a lot of work to do.

Q: Do you see any parallels between the survey findings and on-the-ground examples of companies where these mechanisms might be in place and working?

TK: I've seen some very effective forms of collective bargaining and some productive labor-management coalitions that emphasize the kind of involvement and influence that workers say they are looking for. At Kaiser Permanente, for instance, they've done a lot of research on the labor-management dynamic in their

workplace and they are generating new solutions to health problems with frontline workers engaged in the process. I've watched and I've sat with these nurses and technicians and doctors and service employees at Kaiser, these frontline teams, and I've seen how they come up with new solutions, how proud they are of that, and how committed they are to implementing those solutions. That's really powerful for improving patient care in that particular sector.

Q: Was there anything that surprised you in the results or that you weren't expecting?

TK: The size of the increase of interest in unions surprised me. I knew those numbers were going up, but if you were now to look at just the non-managerial workforce, we're well over 50 percent that want to be represented by a union. If you add in the number of people who are in unions today, because about 83 percent of them say they want to remain in a union, you're well over half. That's a very strong statement that workers are looking for some form of representative voice. They may not all agree on what that form might look like or what kind of union or how best to represent people. But that says there's a thirst out there for an institution that they have some confidence will help them advance their interest and help them make a contribution to their workplace.

Q: Megan and Jenny, can you tell us a bit about your <u>recent research</u> and what you looked at around worker voice?

ML: As a follow on to the MIT worker voice study that Tom just explained, we set out to understand the different ways in which workers can express voice, since there isn't one single method that works for all. Given that more people want to join a union today than they did 30 years ago, and yet joining a union is very difficult, we have to understand what the alternatives are. Our central question was what innovations and new forms of organizing and voice are we seeing in America today and how successful are those efforts at building power, reaching scale, and doing so in a financially stable way? We created an inventory of what we see as worker-voice efforts that are both outside of the traditional collective-bargaining framework and also external to companies' internal voice mechanisms, like ombudsmen and affinity networks. From that inventory we dove into case studies of what we found to be three particularly compelling efforts. We concluded with a vision for what the labor market and worker voice might look like in the future.

Q: So what does worker voice look like in the 21st Century? Where are we now?

JW: We can think about that both in terms of where we are and where we're going. In terms of where we are, worker voice has had to respond to these changes in the nature of work. That means creating organizations that don't think about the labor-management relationship in quite the same rigid way as we have historically—Lobster 207 being a great example of that. We've also seen Starbucks workers get really engaged with the coworker.org platform and run a number of campaigns, and what's interesting is that baristas have joined with store managers to align on many of these campaigns. There's this sense of shared interest and shared experience at work that reflects how organizations have become less hierarchical. We also see independent contractors like Uber drivers overcoming atomization and organizing into groups like the Independent Drivers Guild. We see workers overcoming information asymmetry by using technology to talk about their individual experience at work and whether or not it's part of a systemic pattern. Operationally, we're also seeing altlabor adopt a lean start-up mentality—a notion that it's okay to try a lot of things, fail fast, and when things

work, lean in. That's a very different operational mode than traditional unions have used and it's very exciting, because it's part of what's generating so much energy and so many new ideas and new forms in this movement.

ML: Today we're also seeing organizations operating outside of labor law, which is really interesting. There are organizations that are just choosing to say, look, we're not expecting any sort of policy change, so we're just going to go at it and find ways to organize independent workers, self-employed workers, and other people who wouldn't traditionally be represented by labor law.

JW: As we think about the future, we imagine something like a patchwork of unions and these new alt-labor organizations working together to both draw on the successes of history and reimagine what this movement can look like. A key piece of that will be to align behind a shared mission because many of these alt-labor organizations are small and scrappy and, frankly, underfunded. They're doing very interesting things but they're often serving a particularly targeted demographic. So one of the critical questions is how we get them in key moments to work in tandem, and I think the Fight for Fifteen is one example of what can happen when that does work.

Q: Do you see any strengths and weaknesses in the different forms of worker voice?

JW: Yes, and the observation of those strengths and weaknesses in fact led to one of our primary takeaways, which was the need for joint action between traditional labor organizations and new forms of worker voice. They have complementary strengths that make up for gaps, and make them stronger together.

Alt-labor and new forms of worker voice are strong on the tech side, allowing them to organize highly visible public campaigns involving a lot of people very quickly. They also have been leveraging demographics somewhat differently, particularly in organizing people across industries and across geographies instead of just on an employer-by-employer basis. A lot of the incubation of new ideas is happening within these new forms as well—there's a lot of creativity and a lot of testing.

What alt-labor struggles with, though, is mass penetration, and that's partly just a function of sustainability issues. We saw 660,000 workers engaged across the organizations we profiled, and that's not a paltry number, but when we compare that to the 55 million workers who say they want to join a union, there's much more appetite than is really being harnessed. Another challenge, as Megan mentioned, is around limited capacity to take on policy work. And the thing we heard most consistently across these organizations was how difficult it was for them to find sustainable unrestricted funding. These organizations are heavily reliant on philanthropy or on new earned-income streams—they're developing interesting models on the earned-income side but it's tough, and nobody's really proven how best to do it yet, so that limits how much they can grow and the kinds of work that they can do.

On the other side of the spectrum, one of the great advantages of a traditional union is that through the membership structure they have regular dues coming in. That's much harder to do if you can't deduct from a paycheck. I would say the strengths on the traditional union side that help to fill some of the gaps we see in alt-labor are real expertise in solidarity building and face-to-face organizing, which is a nice complement to the tech-based, quick-scale kind of work the newer organizations are doing. Traditional unions also have

dependable institutional structures and a reliable source of unrestricted funding. Finally, traditional unions deliver policy expertise—unions are the best at that—so it's incredibly valuable to alt-labor organizations when they can draw on unions' long history of policy engagement.

Q: Taking together all of your research and the case studies, what lessons did you learn from this research that you think can be applied to the future of worker voice or inform the future?

ML: I think the point that Jenny just mentioned is going to be critical. Unions are traditionally the best at engaging their workforce and building these solid communities that really have a sense of identity, so somehow bringing that to the high-tech testing and rapid iteration work that the alt-labor side is doing will be very important. We need to have both the high-touch model of traditional unions and the high-tech model of new labor organizations together, and I don't think anyone's figured out how to do both yet. I think that's something valid to chase after on behalf of workers to build scale and power.

Also, as Tom said, there's a huge gap in terms of worker voice, and that gap will continue to exist given the decline of unions and the great—but not yet great enough—presence of newer forms of worker voice. So I think there's a third party that needs to be brought into the conversations about the future of worker voice: companies, managers, and executives themselves. I think the next step in the research is to figure out how we can also build up that third leg of the stool.

JW: For us, part of what was meaningful in this project was having the opportunity to learn from these emergent organizations. They were very generous about giving us time, speaking with us, and sharing their experiences. Likewise, we were able to speak with a lot of frontline workers and I think that was very useful and powerful. We've actually just written an op-ed about how business school students need more exposure to rank-and-file workers. Part of why we think that worker voice is so important is that in our own interaction with workers we've found that they are a very valuable source of ideas and energy and that they really are the heart of the company. It's a valuable reminder about how much we can learn from rank-and-file workers. We're lucky to be in a position to hear and surface those voices in an environment where they aren't always present.

Content may be reprinted if Invested is credited and the following disclaimer is used: "The views expressed are not necessarily those of the Federal Reserve Bank of Boston or the Federal Reserve System. Information about organizations, programs, and events is strictly informational and not an endorsement."