



Personnel Management Group

**INDUSTRY
ALERT!**

ARE YOU FACING A POTENTIAL STRIKE? CONSIDER YOUR OPTIONS.

A labor dispute is an emotional, costly, and potentially dangerous event for any company. First, you must decide whether or not to continue operations and fulfill customer demand from the “struck” facility. You may choose to discontinue operations and close down your facility during the crisis situation. Or, you may decide to continue operating. If the decision is made to maintain operations, then how are you going to staff the facility and resume the work deserted by union workers? Multiple options are considered below.

- **LOCAL MANAGEMENT AND NON-UNION EMPLOYEES-**
A workforce consisting primarily of in-house personnel, such as management and non-union employees, that are able to shift duties/departments to fill the operational positions vacated by the union workforce.
 - **NATIONAL MANAGEMENT AND NON-UNION EMPLOYEES-**
A workforce consisting of a combination of in-house personnel and personnel from other locations and/or business units. These managers and non-union employees will generally be borrowed from facilities that are not directly impacted by the strike.
 - **LOCAL REPLACEMENT WORKERS-**
A workforce consisting of locally recruited replacement workers hired by the struck company and/or local third party agencies.
 - **CONTRACT TEMPORARY REPLACEMENT WORKERS-**
A workforce consisting primarily of skilled, strike experienced workers from across the nation that is recruited, hired and managed by a national crisis labor staffing company.
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<i>LOCAL MANAGEMENT AND NON-UNION EMPLOYEES</i>	
<ul style="list-style-type: none"> • These individuals tend to know the product, process and customers better than anyone • Salaries and wages aren't incremental. Thus, less out-of-pocket expense than hiring replacements • Company loyalty is a motivating factor 	<ul style="list-style-type: none"> • Burn-out and/or disillusionment with Company caused by strike or resulting work environment • Non-supervisory employees may choose to engage in protected activity by honoring union picket line • The Company will likely be required to pay significant overtime (after FLSA emergency exemption expires) • Discomfort of having to cross through a union picket line manned by co-workers • Risk of long term hostile relationship
<i>NATIONAL MANAGEMENT AND NON-UNION EMPLOYEES</i>	
<ul style="list-style-type: none"> • These individuals tend to know the product, process and customers better than anyone • Salaries and wages aren't incremental. Thus, less out-of-pocket expense than hiring replacements • Company loyalty is a motivating factor 	<ul style="list-style-type: none"> • Same as above, plus... • Potential joint employer issues that could convert unlawful secondary picketing into lawful primary picketing (and everything that flows from that, such as exposure to sympathy activity at other sites, work disruptions, etc...)
<i>LOCAL REPLACEMENT WORKERS HIRED BY THE STRUCK COMPANY</i>	
<ul style="list-style-type: none"> • No ties to temporary company/easy to end relationship with temporary employees, as well as any company referring them • Wages and expenses are less expensive than contracting temporary labor • With proper planning, no labor law implications regarding joint/single employer issues • Little risk of local replacement workers honoring picket line 	<ul style="list-style-type: none"> • Low skill sets and productivity • High turnover rate • Futility of providing effective safety training (as a result of turnover) increases workers' compensation and other legal risks • Increased administrative tasks such as recording hours, providing training and imposing discipline
<i>CONTRACT TEMPORARY REPLACEMENT WORKERS</i>	
<ul style="list-style-type: none"> • Ready pool of available resources who expect long hours away from home • Typically a higher skill level • With proper planning, no labor law implications regarding joint/single employer issues • Wage rate typically lower than loaded rate of bargaining unit personnel • No risk of temporary workers honoring picket line 	<ul style="list-style-type: none"> • Cost of housing and feeding contract temporaries • Administrative tasks such as tracking vendor invoices and providing training • Recruiting costs • Cost may be higher than actual hours worked due to deployment minimums