

# Memo

**To:** Dr. Jim Smith, Slate Main County Superintendent of Schools  
**From:** Keith DeMartini, Slate Main County Office of Education Financial Analyst  
**Date:** May 12, 2008  
**Re:** Bumping Rights of Local 111 Union Members

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Historically, labor unions in the California public education system have exercised considerable power in negotiating favorable contracts with local education agencies. Many labor unions, including Local 111 of the Service Employees International Union (SEIU), enjoy yearly wage increases at or above the state's cost of living adjustment, flextime scheduling options, and other benefits. One of those other benefits that SEIU members have is their right to bump into a position when their current position is eliminated due to reduced workload or funding.

The economic outlook in California in the 2008-2009 fiscal year is uncertain. Governor Schwarzenegger's budget plan includes a proposed reduction of \$4.8 billion in education funding. Local education agencies throughout the state are planning for the reduction in funding by laying off staff. As of mid March, an estimated 20,000 teachers and support staff have already received layoff notices throughout the state. (CDE, 2008) At the Slate Main County Office of Education (SMCOE), twenty-four SEIU members, along with members of other unions at the office, have received layoff notices. Many of these members are exercising their bumping right in response to these actions.

## ***Background***

Per the current SEIU Local 111 Union Contract with the SMCOE, "a worker serving in a position, which is eliminated through lack of work or lack of funds, shall have the right to bump into a position providing an equal assignment in the same class that is occupied by the least

senior worker with the equal hourly assignment.” (SEIU, 2006) To a certain degree, a policy such as this seems out of context in today’s constantly changing work environment. The younger generation of workers does not stay at an organization for a long period of time resulting in an ineffective bumping policy. A study found that the first ten years of an average forty years of a man’s career in the United States accounted for 66% of his lifetime job changes and wage growth. (Hall, 1982) A majority of the current SEIU workforce is forty years old or older and some have twenty or more years of experience at the SMCOE. Many of these workers will be retiring in the next few years resulting in a focused recruitment to the younger workforce.

Because many of the recently hired, younger workers have few years of professional work experience, they are hired in at lower job classifications than those who have decades of experience. As a result of the recent layoff of the twenty-four SEIU members, the recently hired, younger, and lower job classified workers are at a greater risk of being bumped from their current position.

### ***Challenges to Bumping Policy Implementation***

From the employer’s prospective, many challenges exist in implementing a bumping policy due to a layoff. First, the employer must decide which positions they wish to eliminate. This involves acknowledging the union member currently in that position, their years of service, and their bumping potential. If management chooses to eliminate a position occupied by a tenured, high job classification employee, then the employer runs the risk of multiple bumps throughout the organization. However, if the employer chooses to eliminate a position occupied by a relatively new employee in a lower job classification, their bumping potential is limited. Management attempts to weigh length of service and consideration of the individual worker’s ability when deciding which positions to eliminate. (Block & Platt, 1957) Trends at the SMCOE

have shown that the newer employees in the lower job classifications are more likely to be laid off because, one reason being, it gives management more control over the bumping process.

The union members have their own challenges in regards to their bumping rights. During more stable economic conditions at the SMCOE, many union members apply for job transfers and promotions, one of the reasons being that it provides a lower susceptibility of being bumped out of their position in the future, regardless of their desire to have that job or their technical capabilities of successfully completing that job's tasks. Also, the bumping right gives too much power to too few union members who have the most tenure at the office. Their jobs will rarely be in jeopardy because few have the tenure to bump them. And finally, the recent layoff at the SMCOE gave union members four months to decide their potential bumping course of action. Not only does this long window of time potentially reduce the overall productivity in the office due to a decrease in motivation, but it may also cause undue stress on individuals who may potentially be bumped at the whim of another union member.

### ***Discrimination due to Bumping***

Due to the current bumping policy, subtle discrimination may occur on younger union members who have less tenure and are in lower job classifications. An older worker may feel threatened by a younger, highly educated, highly motivated worker giving reason to bump them. A study found that education differences are expected in many activities whose technical content is rapidly changing, so older employees' knowledge may become outdated at the same time as young employees' education provides them with an initial greater expertise. (Chmiel, 2000) Another study found that older employees tend to have lower educational qualifications; therefore, they may lack knowledge and recent learning experience that enhances their confidence. (Warr & Birdi, 1997) Consequently, a younger worker may advance more swiftly through the organization's hierarchy than the current, older workforce, which may jeopardize the

future job stability of the current workforce. These factors may result in the tenured workforce banding together while bumping the younger worker if possible.

Stereotypes, both positive and negative, of the younger workforce provide inaccurate reasoning to help those being laid off decide upon a bumping strategy. Some positive stereotypes that workers have regarding the younger workforce are their high efficiency, productivity, and computer literacy. A study found that younger employees, in general, have had more experience of computer-related activity (during their education and spare time) than have older ones. (Czaja & Sharit, 1993) These stereotypes, sometimes inaccurate, may cause an individual being laid off to defend themselves against younger employees, resulting in a bump. Some negative stereotypes that workers have regarding the younger workforce are their fewer years of experience and the high likelihood of job-hopping, as mentioned in Hall's study. A more tenured worker may deduct that they are more valuable because of their years of experience and loyalty to the organization than a younger worker who might quit after a short period of time, resulting in a bump. These stereotypes fuel the fire of potential discrimination on the younger workforce.

### ***Recommendations & Challenges to Implementation***

Because of the subtle discrimination caused to the younger workforce as a result of the bumping right in the SEIU Local 111 Union contract, I recommend revising the current policy in the following two ways.

First, provide a two-year, "bump-free" employment window for all employees newly hired at the SMCOE. This will provide increased job security for the newest hires, most of who are of a younger generation compared to the current workforce. This may also increase the overall productivity of the office through innovation, an increase in experience of the younger workers, and lower stress. Second, include the employee's prior performance evaluations as a

factor in who will be laid off and who is susceptible to being bumped. For individuals who receive low performance evaluations and are laid off, regardless of their years of service, eliminate any bumping rights they may have. This may motivate people to work harder in hopes of receiving high performance evaluations in the future and increase the overall productivity of the office. Research has shown that higher levels of motivation result from a response to evaluative outcomes in the workplace. (Boggiano & Barrett, 1985) For individuals who receive high performance evaluations and are laid off, allow their bumping privileges to continue. Their favorable performance evaluations should earn them the right to potentially bump.

Although management may favor such a drastic change to the union bumping rights because it may increase the overall productivity of the office, the union may strongly oppose this proposal. They may fear the potential increase in layoffs to the current, more tenured workforce and a decrease in control over their bumping rights. In order to mitigate this potential opposition and successfully implement a revised bumping policy, the SMCOE management should focus on three strategies. First, management should include Union representatives in future layoff decisions to give them the opportunity to consider which positions will be eliminated. In the New York State Office of Mental Health layoff in the late 1990's, employees were notified of potential layoff positions early in the process to help minimize the damage that inaccurate rumors would have. (Cintrome, 1997) Second, management must educate the workforce of the economic factors that constrict the SMCOE and their strategies of mitigating the negative effects of such factors to reduce the possibility of misinformation. And third, management must create opportunities for the older workforce to learn and share experiences with the younger workforce, and vice versa, in hopes of building a more cohesive, non-polarized workforce.

In summary, the current bumping policy must be revised to reduce potential discrimination to the younger workforce and increase overall productivity and motivation.

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