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MICHIGAN EMPLOYMENT RELATIONS COMMISSION

HOSPITAL EMPLOYMENT RELATIONS

FACT FINDING HEARING

(Pursuant to Section 25 of the Michigan Labor Mediation Act, Mich. Stat. Ann. 17.454 (27), and to Part 3 of the General Rules and Regulations of the Employment Relations Commission.)

In the Matter of:

GRAND VIEW HOSPITAL

and

GRAND VIEW HOSPITAL EMPLOYEE'S  
UNIT, LOCAL # 992, COUNCIL # 55,  
A.F.S.C.M.E., AFL-CIO

REPORT OF FINDINGS

AND

RECOMMENDATIONS

HEARING OFFICER:

Dr. William E. Barstow, Jr.  
Michigan Technological University  
Houghton, Michigan 49931

October 13, 1969

*Grand View Hospital*

HEARING PROCEEDINGS

September 16, 1969      Petition for fact finding filed by Grand View Hospital.

September 17, 1969      Petition amended to supply additional information by Grand View Hospital.

September 18, 1969      Requirement for answer waived and hearing ordered by Michigan Employment Relations Commission.

September 30, 1969      Hearing held at the Grand View Hospital, Ironwood, Michigan 49938, at which were present:

                            (a) For the Hospital:

                                Frank Drazkowski, Executive Director  
                                Ingrid Baksic, Administrative Assistant  
                                Marie Prarizzi, Director of Nursing  
                                Myra Holmes, Payroll and Personnel Supervisor

                            (b) For the Union:

                                Earl Wood, Staff Representative Council #55  
                                Kay Wiita, Unit Chairman  
                                Lempi Parvonen, Steward  
                                John Rajala, Steward

October 13, 1969      Report of findings and recommendations issued pursuant to hearing.

## II

### FINDINGS OF FACT AND CONCLUSIONS

#### A. AS TO DEVELOPMENT OF THE SITUATION LEADING TO THIS HEARING

1. The Grand View Hospital, Ironwood, Michigan (hereinafter referred to as the "Hospital"):
  - (a) Employs approximately 82 persons in non-professional, non-technical, non-secretarial work categories.
  - (b) Recognizes Local #992, Council #55, American Federation of State, County, and Municipal Employees (hereinafter referred to as the "Union") as the sole bargaining agent for these persons.
  - (c) Has entered into one previous collective bargaining agreement with the Union, which by its terms had full force and effect until July 1, 1969, and which contained an automatic renewal clause subject to notice of intent to terminate by either party.
  - (d) Prior to this, recognized the Building Service Employees International Union as bargaining agent, with which it had negotiated, among other matters, a job analysis and evaluation plan.
2. The Hospital and the Union have bargained for some time over terms of a new agreement:
  - (a) The most recent offer by the Hospital involves (i) discontinuance of the previous provision for one free meal each shift, (ii) installation of a new wage schedule determined by a formal job evaluation plan, (iii) a general increase of 25 ¢ per hour, retroactive to 7-7-69, (iv) "red circling" of resulting rates in excess of the new schedule (in 74 cases out of 82), (v) a further increase varying from 1¢ to 6¢ effective 4-13-70 for either 30 or 11 employees (depending on whether 19 employees are promoted by the Hospital as discussed but not guaranteed), and (vi) an 18 month agreement expiring 1-3-71.
  - (b) The most recent formal demand by the Union involves (i) substitution of wages for the free meal at the option of the Hospital at a value of 10¢ per hour, (ii) a 30¢ per hour general increase retroactive to 7-7-69, (iii) a further 15¢ per hour general increase effective 4-13-70, (iv) negotiation of a job evaluation plan to be incorporated in a subsequent agreement, and (v) an 18 month agreement expiring 1-3-71.
  - (c) During the hearing, the Union stated informally that it would settle the wage issue alone for a 37¢ per hour retroactive general increase plus promotion of 19 employees as previously discussed, and either a 1 year or an 18 month agreement.

3. In view of lack of bargaining progress, the Hospital unilaterally petitioned the Employment Relations Commission for fact finding, identifying wages as the matter at issue.
4. At time of hearing, the union identified the following matters as issues in dispute:
  - (a) Wages.
  - (b) Compensation for "on call duty".
  - (c) Names of employees who will be promoted during the term of the agreement.
  - (d) Sick leave accumulation, and pay for unused sick leave on severance of employment.
  - (e) Time cards to be in-time clock rack prior to the end of each shift.
  - (f) Job evaluation plan (the Union stated that "this is the same issue as wages").
  - (g) Effective date of agreement with no break in continuity.
5. At time of hearing, the Hospital added as an issue the question of value of the free meal.

B. AS TO THE ESSENTIAL ISSUES PRESENTED BY THE PARTIES

1. Several of the issues presented by the parties are merely separate facets of one complex major issue which may be identified under the general heading, "wages". These sub-issues are (a) wage levels, (b) job evaluation plan, (c) free mid-shift meals, (d) employee promotion list, and (e) effective date and term of agreement.
2. (a) Considered alone, the offer by the Hospital of an immediate 25¢ per hour general increase, with a subsequent small adjustment of the wage schedule midway through an 18-month contract term, is conservative but not altogether inequitable. Although approximately 15¢ per hour is required just to equate with increases in the cost-of-living during the past year, hospital and public employment contract settlements in this region during the recent past, and the patterns exhibited in some current negotiations, suggest that an increase in the range of 20¢ to 30¢ per hour for occupational skills of the sort represented by this bargaining unit is competitive.
- (b) However, numerous ambiguities are apparent in other portions of the Hospital's offer. Termination of the present free mid-shift meal would reduce the value of the offer substantially (see further discussion of this point infra). Simultaneous sequential installation of two new wage schedules based a new job evaluation plan (see further discussion infra) would have the effect of "red circling" 74 out of 82 employees under one schedule or the other, and would make such employees ineligible during extended periods



of time for further increases. The assertion by the Hospital that promotions to higher grades in the same classification are "incompatible with the granting of a general increase" (see further discussion infra) would presumably inhibit the granting of 19 promotions which have been discussed with the Union during negotiations as possible inducements. Also, even if the promotions were granted, the employees would receive no concurrent wage increase if their wage is "red circled" as a result of the proposed new wage schedules. If the 19 promotions are not granted, only 11 employees out of 82 would receive the 1¢ to 6¢ per hour increase on the effective date of the second new wage schedule. The promotion of 19 employees would broaden this increase to 30 out of the 82 total employees.

- (c) Further ambiguity is inherent in the Hospital's classification structure. While the Hospital states without contradiction that under usual circumstances promotion from one merit grade to another in each classification "borders" on experience, such promotion until now has been totally controlled by the Hospital, and the Hospital indicates that such promotions are incompatible with the issuance of general increases. Further, in at least four classification series, the top merit grade is limited in entry to special qualifications other than either merit or experience (See Appendices A and B this report).
- (d) Evaluating the factors in the preceeding three paragraphs, the Hearing Officer finds the Hospital's offer is substantially lower than its face value.

3. The job evaluation plan on which the Hospital bases its new wage schedules is an excellent one that is frequently used in business and industry. So far as can be determined by comparing it with job ranking in other Hospitals in this area, it has been applied with reasonable accuracy. However, the validity of such plans extends only to the establishment of external job relationships. No authority in the personnel management field would defend the extension of such plans to the determination of precise single wage rates. Such specific wages remain eminently negotiational. Also, the total job evaluation structure is necessarily subject to vertical adjustment in response to fluctuations of the economy, and particular classifications are subject to independent fluctuations in response to sociological factors, labor supply, skill and licensing requirements, and the like. The Hearing Officer finds that the application of this plan is oversophisticated in view of its inherent limitations. While it can be useful in bring clarity, system, and objectivity into the study of job classifications, it's proposed use in this bargaining to establish precise dollars and cents in a wage structure (by equating 1¢ with every 2 points in the weighted scale, for example) is not justified.

4. The Hospital contends that the practice of offering a free mid-shift meal is a most inequitable fringe. It is necessary to agree with this. However, the same factors which make the practice unequal as an employee benefit also make determining the monetary value of the fringe very difficult. The lone certainty is that it represents greater expense to the employee-consumer than to the employer-supplier. The union contends that the Hospital has already established meal value at 10¢ per hour by its prior negotiations with the nursing personnel. While this contention is not fully substantiated, it is probable that 80¢ is a fair approximation of meal value to the employee. Since the Hospital proposes substituting money for meals, it is the value to the employee that is in question. The Hearing Officer finds that 10¢ per hour is a reasonable measure of meal value and that a wage adjustment is proper if the free meal fringe is to be eliminated. However, there is no basis for demanding guarantees of unchanged cafeteria prices from the Hospital, which is subject to the same cost-of-living changes in its purchase of labor, equipment, and foodstuffs that the employee encounters in his private life.
5. The Hearing Officer disagrees categorically with the Hospital's contention that merit grade promotions are incompatible with the granting of general increases. The purpose of a general increase is to adjust a total wage structure that has lagged behind changes of one sort or another in the economy. A merit grade promotion within the same classification series is intended to recognize qualities of performance, ability, and responsibility in the individual employee. To withhold 19 promotions in grade which have been discussed by Hospital and Union merely because a general increase is also appropriate may be thrifty in the view of the employer, but it certainly is not a logical exchange.
6. It is desirable from the standpoint of the community that any agreement adopted at this time be made retroactive to the terminal date of the prior agreement. To do otherwise would encourage delaying tactics and other unfair practices in most negotiations. However, a considerable period of time has already elapsed, and to establish the present agreement on a retroactive one year basis would bring negotiations for the next contract perilously close. It facilitates the collective bargaining process if the frictions of the past are dimmed by time before a new negotiation begins. Accordingly, the Hearing Officer finds an 18 month agreement retroactive to July 1, 1969, to be most appropriate.
7. The parties differed sharply over the issue of the 15 minutes of unpaid casual time preceeding shift start required of each employee. Although uncompensated, a tardy employee may be docked if he is late. This may seem harsh at first impression, but it is inconceivable that employee overlap should not be required in an acute care institution of this sort. The Hearing Officer feels that the required overlap might be self-policing if the employees are merely required to remain on the job until relieved or instructed to depart at the end of the shift. If the self-policing aspect of this mechanism

should be effective, then the casual overtime could be largely eliminated. In any event, there is a point in work relationships at which parties must stop seeking every personal advantage and must accomodate themselves to the demands of the job. The Hearing Officer finds that the need for some degree of overlap at shift change is such a point in the hospital work enviroment.

8. The issue of sick leave accumulation and pay for unused sick leave at severance of employment was not seriously contested by either party at the hearing. In any event, the accumulation agreement is excellent now, and the only question would be payment at severance of employment. The Hospital has offered to substitute an insurance policy for this fringe, and the Union has not voted concerning acceptance as yet. The Hearing Officer finds that this issue is best left for future negotiation by the parties.
9. The question of time card administration was not contested by the parties. It is probable that this issue can be handled through the grievance procedure.
10. While a full financial analysis is not within the scope of a hearing of this sort, ability-to-pay is certainly a factor in fact finding determinations. Fortunately, a brief review of the financial status of the Hospital, and a comparison of its charges with those of other regional hospitals, indicates that the Hospital can pay competitive wages without unreasonable adjustment of either its operations at charges.

### III

#### RECOMMENDATIONS WITH RESPECT TO THE ISSUES

##### A. WAGE LEVELS

1. A retroactive general increase of 15¢ per hour, effective as of July 7, 1969, shall be granted to all employees in the bargaining unit without exception.
2. An additional general increase of 10¢ per hour, effective as of November 10, 1969, shall be granted to all employees in the bargaining unit without exception. (See Appendix A, Recommended Wage Schedule as of 11-1-69.)
3. A further general increase of 10¢ per hour, effective as of April 13, 1970, shall be granted to all employees in the bargaining unit without exception. (See Appendix B, Recommended Wage Schedule as of 4-13-70.)

##### B. JOB EVALUATION PLAN

1. The present established wage schedule shall be adjusted as of November 10, 1969, to reflect 25¢ per hour in cumulative general increases at all wage levels. (See Appendix A.)
2. The then established wage schedule shall be adjusted further as of April 13, 1970, to reflect the 10¢ per hour general increase of that date at all wage levels. (See Appendix B.)
3. The job evaluation plan proposed by the Hospital shall be eliminated from consideration as a mechanism for determining precise wage levels, and shall be employed cooperatively with the bargaining unit in the future only as a basis for estimating the effect of job changes on wage relationships and for reviewing the accuracy of job-wage rankings.
4. No wages shall be "red circled" as a function of the above adjustments.

##### C. FREE MID-SHIFT MEALS

1. The fringe practice of providing one free meal per shift to included employees shall be discontinued as of November 10, 1969.
2. No guarantees shall be provided by the Hospital as to stability of cafeteria prices.



D. EMPLOYEE PROMOTION LIST

1. The names of 19 employees considered for promotion by the Hospital shall be provided to the Union immediately.
2. Such promotions shall be accomplished effective November 10, 1969, subject to prior removal from the promotion list for cause, the reasons for any such removal to be explicitly reviewed with the Union.

E. EFFECTIVE DATE AND TERM OF AGREEMENT

1. The new agreement shall be effective as of July 7, 1969, without break in continuity with the immediately preceding agreement.
2. The new agreement shall provide for an 18 month term, expiring as of January 3, 1971, subject to the automatic renewal clause.

F. TERM OF WORK DAY

1. The work-day shall be defined as 8 hours and shall be changed to begin as of the exact time of shift change, and shall end either when the employee is relieved or when instructed by the supervisor in charge, whichever is sooner.
2. Pay for overtime in the event of non-relief at the end of 8 hours shall commence only after expiration of 15 minutes of casual overtime.
3. However in the event that required overtime exceeds the 15 minutes casual period, compensation for overtime shall then include compensation for the casual period.

G. SICK LEAVE ACCUMULATION AND PAY FOR UNUSED SICK LEAVE ON SEVERANCE

1. Present practices shall remain unchanged.

H. TIME CARD LOCATION AT SHIFT END

1. The parties shall negotiate problems pertaining to time card administration pursuant to provisions of the grievance procedure.

Respectfully submitted,

*William E. Barstow Jr.*  
William E. Barstow, Jr.  
Hearing Officer

# Appendix A

## RECOMMENDED CLASSIFICATION AND WAGE SCALE as of 11-1-69

Job Classification and Grade	Starting Rate	1 Year Seniority	5 Years Seniority	10 Years Seniority
<b>ADMINISTRATION AND GENERAL:</b>				
Accounting Clerk III	2.29	2.44	2.49	2.54
Accounting Clerk II	2.09	2.27	2.32	2.37
Accounting Clerk I	1.93	2.05	2.10	2.15
General Clerk III	2.14	2.29	2.34	2.39
General Clerk II	2.00	2.12	2.17	2.22
General Clerk I	1.88	1.97	2.02	2.07
Medical Record Technician	2.14	2.35	2.40	2.45
Medical Record Clerk	1.90	2.02	2.07	2.12
<b>FOOD SERVICE:</b>				
*Cook III (Head Cook)	2.02	2.17	2.22	2.27
Cook II	1.93	1.99	2.04	2.09
Cook I	1.86	1.92	1.97	2.02
*Food Service Aide III (Will accept temporary upgrading to Cook I)	1.81	----	1.86	1.91
Food Service Aide II	1.78	----	1.83	1.88
Food Service Aide I	1.75	----	1.80	1.85
<b>HOUSEKEEPING AND LINEN SERVICE:</b>				
Housekeeping Porter	2.09	2.21	2.26	2.31
Housekeeping Maid	1.76	1.82	1.87	1.92
Seamstress	1.76	1.85	1.90	1.95
<b>PLANT OPERATION AND MAINTENANCE:</b>				
Fireman/Janitor III	2.32	2.41	2.46	2.51
Fireman/Janitor II	2.22	2.34	2.39	2.44
Fireman/Janitor I	2.09	2.21	2.26	2.31
<b>NURSING SERVICE:</b>				
*General Duty LPN III (May give medication)	2.31	2.42	2.47	2.52
General Duty LPN II	2.23	2.32	2.37	2.42
General Duty LPN I	2.17	2.23	2.28	2.33
*Nursing Service Aide III (Has substantial formal training)	1.95	2.07	2.32	2.37
Nursing Service Aide II	1.86	1.98	2.03	2.08
Nursing Service Aide I	1.75	1.87	1.92	1.97
Orderly III	2.18	2.30	2.35	2.40
Orderly II	2.07	2.19	2.24	2.29
Orderly I	1.99	2.05	2.10	2.15
Surgical Technician	2.16	2.49	2.54	2.59
Inhalation Therapist	2.43	2.58	2.63	2.68
<b>DIAGNOSTIC SERVICES:</b>				
Laboratory Technician	2.35	2.56	2.61	2.66
X-ray Technician	2.24	2.42	2.47	2.52

\* Limited

## Appendix B

### RECOMMENDED CLASSIFICATION AND WAGE SCALE as of 4-13-70

Job Classification and Grade	Starting Rate	1 Year Seniority	5 Years Seniority	10 Years Seniority
<b>ADMINISTRATION AND GENERAL:</b>				
Accounting Clerk III	2.39	2.54	2.59	2.64
Accounting Clerk II	2.19	2.37	2.42	2.47
Accounting Clerk I	2.03	2.15	2.20	2.25
General Clerk III	2.24	2.39	2.44	2.49
General Clerk II	2.10	2.22	2.27	2.32
General Clerk I	1.98	2.07	2.12	2.17
Medical Record Technician	2.24	2.45	2.50	2.55
Medical Record Clerk	2.00	2.12	2.17	2.22
<b>FOOD SERVICE:</b>				
*Cook III (Head Cook)	2.12	2.27	2.32	2.37
Cook II	2.03	2.09	2.14	2.19
Cook I	1.96	2.02	2.07	2.12
*Food Service Aide III (Will accept temporary upgrading to Cook I)	1.91	----	1.96	2.01
Food Service Aide II	1.88	----	1.93	1.98
Food Service Aide I	1.85	----	1.90	1.95
<b>HOUSEKEEPING AND LINEN SERVICE:</b>				
Housekeeping Porter	2.19	2.31	2.36	2.41
Housekeeping Maid	1.86	1.92	1.97	2.02
Seamstress	1.86	1.95	2.00	2.05
<b>PLANT OPERATION AND MAINTENANCE:</b>				
Fireman/ Janitor III	2.42	2.51	2.56	2.61
Fireman/ Janitor II	2.32	2.44	2.49	2.54
Fireman/ Janitor I	2.19	2.31	2.36	2.41
<b>NURSING SERVICE:</b>				
*General Duty LPN III (May give medication)	2.41	2.52	2.57	2.62
General Duty LPN II	2.33	2.42	2.47	2.52
General Duty LPN I	2.27	2.33	2.38	2.43
*Nursing Service Aide III (Has substantial formal training)	2.05	2.17	2.42	2.47
Nursing Service Aide II	1.96	2.08	2.13	2.18
Nursing Service Aide I	1.85	1.97	2.02	2.07
Orderly III	2.28	2.40	2.45	2.50
Orderly II	2.17	2.29	2.34	2.39
Orderly I	2.09	2.15	2.20	2.25
Surgical Technician	2.26	2.59	2.64	2.69
Inhalation Therapist	2.53	2.68	2.73	2.78
<b>DIAGNOSTIC SERVICES:</b>				
Laboratory Technician	2.45	2.66	2.71	2.76
X-ray Technician	2.34	2.52	2.57	2.62

\* Limited entry grade