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STATE OF MICHIGAN  
DEPARTMENT OF LABOR  
MICHIGAN EMPLOYMENT RELATIONS COMMISSION

In the Matter of:

MERC No. D82 C-1144

HURLEY MEDICAL CENTER

and

Michigan State University  
LABOR AND INDUSTRIAL  
RELATIONS LIBRARY

HURLEY MEDICAL CENTER SCHOOL  
OF NURSING FACULTY, LOCAL 2927  
AFSCME

Joseph P. Girolamo 2-16-83

STATE OF MICHIGAN  
DEPARTMENT OF LABOR  
BUREAU OF EMPLOYMENT RELATIONS  
DETROIT OFFICE

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Hurley Medical Center

FACT FINDER'S REPORT

INTRODUCTION

By letter dated December 20, 1982, the undersigned was appointed as Fact Finder on the above-noted matter pursuant to §25 of Act 176 of Public Acts of 1939 as Amended and the Commission's Regulations. Accordingly, a Fact Finding Hearing was conducted and this report is issued with recommendations with respect to the matters in disagreement between the above-noted parties.

A Fact Finding Hearing was convened on February 1, 1983 at which time the parties submitted documentation and argument in support of their respective positions. The matters in dispute are purely economic with the issue of wages being the major impediment to a negotiated settlement.

The parties did engage in negotiations prior to and following expiration of the Collective Bargaining Agreement on June 30, 1982. Services of a Commission Mediator were utilized prior to resort to Fact Finding.

## ISSUES

### I. WAGES

The primary issue on which the parties disagree is that of wages. A plethora of data based on divergent comparisons has been submitted to the Fact Finder.

The positions of the parties may be summarized as follows: The Employer has offered a five (5%) percent wage increase effective September 15, 1982; an additional three (3%) percent increase effective March 1, 1983; and, a final increase of three (3%) percent effective October 1, 1983 with the additional proviso that part-time Instructors' earnings would be adjusted to be equal to the full-time hourly rate. The Employer proposal is premised on a contract expiration date of June 30, 1984. The Nursing Instructors have termed their "bottom line" demand as follows: A seven (7%) percent increase effective July 1, 1982; an additional two (2%) increase effective October 1, 1982; and, an eight (8%) percent increase effective July 1, 1983 with a contract expiration date of June 30, 1984. The Instructors have also demanded wage parity for part-time Instructors with that of the full-time faculty.

The Hurley Medical Center is one of the few medical facilities which have a nursing school attached to its facility. Students at the Hurley Medical Center earn a diploma in Nursing after completion of three years of study at the Hospital's School of Nursing. On completion of the academic program the graduates must pass a State Board of Nursing licensing examination in order to practice as Registered nurses. The Nursing Instructors represent the non-supervisory faculty at the Hurley Medical Center School of Nursing. The division of Instructor/Senior Instructor occurred in 1969 when the latter were granted a One Thousand (\$1,000.00) Dollar wage increase over the Instructors in recognition of their supervisory duties. The Instructors complain that

by 1982 the One Thousand (\$1,000.00) Dollars differential had ballooned into a wage difference in excess of Three Thousand Five Hundred (\$3,500.00) Dollars. In the view of the Nursing Instructors this differential is totally unjustified.

The Nursing Instructors point to the educational attainment and years of nursing service of their membership in support of the proposition that they are inadequately compensated. The Employer wage offer, if implemented, would result in the Nursing Instructors being the lowest paid nurse classification at the Hurley Medical Center. The Unit maintains that this disparity is unjustified because a majority of its members would qualify for the higher paying nurse classifications. In the view of the Nursing Instructors the compensation differential for teachers compared with that of practitioners is inequitable. Finally, the Instructors note that even in their status as educators they are inadequately compensated in comparison with wages paid at Flint Community Schools and Mott Community College.

The Employer counters that its offer of five (5%) percent effective September 15, 1982 with an additional increase of three (3%) effective March 1, 1983 and October 1, 1983 is fair and reasonable.

In evaluating its offer, the Employer argues that its offer will afford the Nursing Instructors a wage comparable to that paid to staff Nurses and Instructors (staff development). The staff Nurses are licensed Registered Nurses while the Instructor (staff development) are individuals who provide continuing education for the staff nurses. Insofar as Hurley Medical Center is concerned, the Employer also notes that other AFSCME Units have settled for wage increases in line with those offered to the Nursing Instructors. The Employer also compares the wage rate at its facility with similar institutions throughout the State and contends that its faculty is not grossly underpaid. A final item of consideration relates to the economic environment in the City of Flint and the State of Michigan, each of which has impacted on the Center's

ability to pay. The Employer expects a cash short-fall for Fiscal Year ending June 30, 1983 of 1.330 Million Dollars. According to the Employer it has already approached Bargaining Units for purposes of obtaining concessions because of the short-fall.

Each of the parties have made thoughtful arguments and presented data in support of their respective positions. The Fact Finder acknowledges the efforts of both parties in their preparation and presentation.

In attempting to arrive at a fair and equitable resolution of this matter, the Fact Finder has carefully considered the extensive amount of data which has been presented to him. I have examined the job descriptions for various classes and conclude that the Senior Nursing Instructor, vis a vis the Nursing Instructors, is similar to the Head Nurses vis a vis the Registered nurse. In comparing the wages of a Senior Nursing Instructor to that of a Head nurse, I find that the Senior Nursing Instructor earns approximately six (6%) more than a Head nurse. A Registered nurse, on the other hand, earns approximately three (3%) percent more than the Nursing Instructor. In justifying the discrepancy between the Nursing Instructor and Registered nurse, the Employer states that it is more difficult to recruit and retain Registered nurses. It is also argued that the Registered Nurses provide direct patient care, and therefore are engaged in the primary mission of the facility. To some extent these same considerations must be applicable to the Senior Nursing Instructor versus Head Nurses classes, and yet in the latter situation the faculty receives greater remuneration. In comparing the Nursing Instructor class to the Registered Nurses class, it is noted that both must be licensed Registered nurses. The Employer's wage scale grants to both classes additional compensation in accordance with educational achievement. It appears therefore that in the supervisory category, the faculty receives greater compensation, whereas in the non-supervisory category, the faculty receives less compensation than their counterparts who provide direct patient care. This is a seeming inconsistency which the Fact Finder is unable to reconcile.

Given the fact that the Senior faculty earned more than their counterparts who provide direct patient care, albeit in a supervisory capacity, and given the fact that the non-supervisory faculty has credentials equivalent, if not greater than the providers of direct patient care, the Fact Finder is hard pressed to find fault with the demands of the Nursing Instructors. The only consideration which supports the employers current negotiating position is that of finances. At the Hearing the Union Representative did state unequivocally that the Nursing Instructors would consider the matter of concessions once it had attained an equitable wage base with other employee units.

Without unnecessarily lengthening this report, the Fact Finder recommends that the parties consider the following proposal. Effective September 15, 1982, the Nursing Instructors will be granted a five (5%) percent wage increase. The September 15, 1982 effective date is based on the fact that the Association did allow negotiations to lapse during the summer months. Effective March 1, 1983, the Association will be accorded a three (3%) percent wage increase. While the Registered Nurses receive their two (2%) percent increase in October, 1982, I do not believe it would be fair to expect the Employer to pay any retroactive wage increase beyond that already recommended. Finally, on September 15, 1983, the Nursing Instructors would be given an additional nine (9%) wage increase. The Registered Nurses are to receive an eight (8%) percent wage increase effective July 1, 1983 - one year after the initial seven (7%) percent increase. Utilizing the one year incremental period, this Unit would be entitled to its raise in September, 1983. The nine (9%) percent increase for September, 1983 does compare favorably with the eight (8%) percent to be received by the Registered Nurses in July, 1983. It is recognized that during the interim - until September 15, 1983 - the wages of the Nursing Instructors will be substantially below that received by the Registered nurses, however, to the extent that the Employer's

financial situation has changed, the reduced level of compensation is warranted. Moreover, the Employer notes that unrepresented employees accepted a five (5%) percent wage increase effective July 1, 1982 for the entire Fiscal Year.

The recommendation I have set forth will not exceed that increase. On September 15, 1983, the Nursing Instructors will achieve parity with the Registered Nurses to the extent it existed prior to July, 1982.

The undersigned realizes that the Nursing Instructors believe they are entitled to immediate parity with the Registered nurses. While I do not necessarily consider their position unjustified, I must take into account the financial picture of the Employer. Based on negotiated increases which are to become effective in 1983, the recommendation herein will provide the Nursing Instructors with a wage rate comparable to the Senior Instructor rate in the same proportion as that of the Registered Nurses to a Head nurse. The Senior Instructors have not completed negotiations for 1983 and therefore the ratio may not stand the test of time. In any event, the increase which has been recommended is substantial and deserves the serious consideration of the Association.

## II. FRINGE BENEFITS

In regard to the matter of fringe benefits, the Fact Finder notes that the Registered Nurses dental program was upgraded on August 1, 1982 and an optical program was also implemented on that date. The Fact Finder believes that an identical dental and optical program should be made available to the Nursing Instructors as part of the negotiated agreement. I would recommend no other fringe benefit improvements during the term of this Agreement. Finally, I would recommend that the proposal herein serve as the basis for a two (2) year contract to run through June 30, 1984.

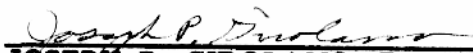
### III. PART-TIME INSTRUCTOR WAGE PARITY

The Fact Finder concurs with the Nursing Instructors' demand that the part-time faculty should receive an hourly rate commensurate with that received by the full-time faculty. Only three part-time Instructors are employed at the facility and therefore the cost of this item is minimal.

### CONCLUSION

The Fact Finder is mindful that his recommendation does not satisfy the expectations of either party. The Instructors have demanded immediate wage parity with the Registered Nurses and under my proposal, parity would not be accomplished until September, 1983. The Facility argues it cannot fulfill immediate parity. My proposal recognizes the Employer's current financial situation. I disagree, however, with the Employer assertion that the Nursing Instructors receive adequate compensation in relation to comparable positions within the Medical Center. Even a comparison with similar institutions throughout the State reveals that the Nursing Instructors are inadequately paid. Hopefully, financial conditions will improve in the ensuing Fiscal Year. In any event, the proposed increase in September, 1983 is not grossly disproportionate to wage improvements which the Employer has negotiated with the Registered and Head Nurses.

In the final analysis, each party must recognize the valid concerns of the other and adjust their positions accordingly toward the end of achieving an expeditious negotiated settlement.

  
JOSEPH P. GIROLAMO, Fact Finder  
1756 Penobscot Building  
Detroit, Michigan 48226  
962-7723

Dated: February 16, 1983