



## Power, Information, and Rights in the American Workplace: Surveying the Scene

American labor and employment law is broken, affording workers little voice and few—often poorly enforced—protections or rights. The COVID-19 pandemic has cast these failings in sharp relief: the lack of paid sick or family leave, inadequate wages, unsafe and unhealthy working conditions, and the inability to organize collectively without facing discipline or dismissal.

As policymakers consider an overhaul of workplace law, what standards should they be applying to determine whether workers are employed in good jobs?

Historically, policymakers, pundits, and think tanks have tended to focus on wages, hours worked, and benefits provided—in large part because these are the job characteristics most frequently measured by large-scale government labor force surveys like the Current Population Survey.

But work is more than just the pay or benefits that workers receive. **As data from Gallup's recent "Great** Jobs" project showed, workers who reported having a greater sense of power on the job were substantially more likely to report being happier with their jobs—and with their lives.<sup>1</sup> And a long line of research in economics, labor relations, and political theory further underscores the importance of workers' power compared to their managers'—especially in the US, where employers have broad authority over their workers' behavior, on and off the job.<sup>2</sup>

Measuring power, access to information, and rights in the workplace can thus inform policymakers' response to the economic crisis and can ensure that the jobs we create and protect are good ones.

New survey research from Roosevelt Institute fellow and Columbia University professor Alex Hertel-Fernandez offers a landscape analysis, finding:

- Many workers report being treated unfairly or in arbitrary ways on the job. Slightly over half of all workers reported that their managers had changed working conditions for arbitrary or unfair reasons. Importantly, these reports extended up and down occupational, educational, and income categories.
- Most workers are in the dark about important workplace information that could help them negotiate better working standards. Just 15 percent of workers report that their employer regularly shares information about the wages and salaries of rank-and-file workers like them, which would allow

<sup>&</sup>lt;sup>1</sup> Rothwell, Jonathan, and Steve Crabtree. 2019. "Not Just a Job: New Evidence on the Quality of Work in the United States." Gallup, the Lumina Foundation, the Bill and Melinda Gates Foundation, and the Omidyar Network.

<sup>&</sup>lt;sup>2</sup> Anderson, Elizabeth. 2017. Private Government: How Employers Rule Our Lives (and Why We Don't Talk about It). Princeton, NJ: Princeton University Press.

Bowles, Samuel, and Herbert Gintis. 1990. "Contested Exchange: New Microfoundations for the Political Economy of Capitalism." Politics and Society 18 (2):165–222.

workers to know how their pay compares to other employees doing similar work. And less than half (40 percent) of workers report regularly receiving information about how well their organization is doing, like performance or productivity records, which would be necessary to ensure that workers are reaping the gains of organizational productivity. Higher-income and more educated workers tended to be more likely to receive both kinds of information, putting less well-off workers and those with less formal education at a substantial disadvantage.

- Many workers do not recognize their legal rights—or the limits of those rights. When asked whether they thought a variety of employer actions were legal or illegal, most workers did not seem to know the contours of existing labor and employment law. It tended to be higher-income and more highly educated workers who were most knowledgeable about their workplace rights. The worrisome implication of this finding: The most economically vulnerable workers are the least likely to recognize and be able to exercise their existing legal rights under federal law.
- Many workers, especially low-income and less formally educated workers, report that they do not have regular conversations with their coworkers about workplace issues and problems. These discussions matter because workers who have the opportunity to regularly talk about workplace issues and problems with their coworkers have a better understanding of their rights. One important reason that workers, and especially low-income and less-educated workers, do not feel comfortable discussing workplace issues and problems is that they lack physical space and time to do so at work.

Moving forward, policymakers can raise the bar for good jobs by focusing on these four criteria:

- The scope for employers to arbitrarily or unfairly change how they treat workers. Do workers have a say over their working conditions, or can employers unilaterally change their scheduling, wages, and benefits with little notice? This is an important outcome measure of worker voice. It's also critical in our system of at-will employment, in which the standing presumption is that private-sector employers have the legal right to fire or change the working conditions of most workers for nearly any reason, save those spelled out in federal and state law (like civil rights or whistleblower protections).
- Workers' access to, and ability to act on, important information about their workplace, such as compensation practices and organizational performance. To negotiate the best set of wages, benefits, and working conditions with their employers, workers and labor organizations must know, at a minimum, information about their employer (for instance, sales, productivity, revenue, or performance) and the pay and compensation of other workers.
- Workers' ability to recognize and enforce their workplace legal rights. Workers must know their legal rights in order to exercise them—and widespread employer noncompliance suggests that workers may not be fully aware of the employment and labor rights they hold.
- Workers' ability to engage in regular workplace discussions with their coworkers. These conversations help workers to share relevant information about working conditions and problems with one another, recognize common grievances and connect them to their managers' and employers' actions, build solidarity with one another, and ultimately plan actions for collectively addressing shared grievances. They're also key in building collective power and moving toward formal labor organization like unions.

## Existing labor unions do much to address each of these issues.

As Hertel-Fernandez's survey research indicates, compared to their nonunion counterparts, members of the American labor movement are less likely to report unfair treatment in the workplace, more likely to receive workplace information about pay and organizational performance, more likely to recognize their workplace rights, and are more comfortable discussing problems with their coworkers on a regular basis. In many of these cases, the union difference is especially large for more socioeconomically disadvantaged workers, like those with lower incomes or less formal education. Yet because unions reach fewer than 1 in 10 workers in private-sector businesses, current American labor and employment rules fall short along all four dimensions.

The balance of power between workers and managers is deeply shaped by public policy and the presence (or absence) of workplace organizations. Reforms to expand worker voice and power thus ought to be central to a broader progressive agenda to give Americans more representation in politics and the economy. They should also be part of any effort at the federal or state levels to address the COVID-19 outbreak and its economic turmoil. To learn more, read <u>"American Workers' Experiences with Power,</u> Information, and Rights on the Job: A Roadmap for Reform."

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