**Section A True/False Questions Each Question is worth 2 points.**

**Please indicate your answer by entering “T” or “F” on the answer sheet.**

1. Integrative bargaining is a “zero-sum” process.
2. Only attorneys and judges are allowed to be arbitrators.
3. According to the National Labor Relations Board (NLRB), child care is not a mandatory subject for collective bargaining.
4. In all unionized organizations, promotion decisions are solely based on seniority.
5. When an arbitrator is evaluating an employee misconduct case, the relative value of the damage is the primary factor in considering the appropriate discipline; the person’s deliberate and malicious intent has relatively little significance.
6. Permanent replacements may only be hired during a lockout to affect the economic outcome of a contract under negotiations if the lockout is a result of an unfair labor practice by the employer.
7. If a negotiator must give the first opening offer, or choose to do so for strategic reasons, then he/she should choose the offer that is closest to his/her resistance point.
8. One’s BATNA must be objectively “better” than the other party’s BATNA to give one negotiating power.
9. Hours of employment and rates of pay are mandatory subjects for collective bargaining.
10. A distributive bargaining method results in a “win-win” situation.

**Section B Multiple Choice Questions Each Question is worth 2 points.**

**Please indicate each answer by entering “A”, “B”, “C” or “D” on the answer sheet.**

1. In the case of a negotiation, the resistance point is \_\_\_\_\_\_\_\_.
2. the starting point of the negotiation accepted by both the parties
3. the maximum or minimum level beyond which the negotiator will not accept a proposal
4. the midpoint of the settlement range accepted by both the parties
5. the most desired outcome or objective a negotiator sets for an issue
6. Which of the following is a responsibility of the Federal Mediation and Conciliation Services’ Office of Arbitration Services?
7. investigating details of a dispute and based on that, selecting a suitable arbitrator for the dispute
8. maintaining a roster of arbitrators qualified to hear and decide labor questions in labor–management disputes
9. evaluating the merits of the underlying grievances submitted for arbitration
10. determining the accuracy of the decision given by the arbitrator and then approving the decision so that it becomes binding on both the parties
11. Mathew has been working in a production company for the past 15 years. According to the union contract provision, the company grants promotions only on the basis of seniority. When a promotion opportunity came up, Mathew thought he would be given the promotion because of his seniority. But to his dismay, the promotion was given to his colleague who had joined the company a year ago. Mathew reported the grievance to the shop steward and he agreed that the grievance had some merit and should be pursued further. What is the immediate next step that Mathew and the steward should take?
12. Negotiate a last chance agreement among the employer, union, and employee.
13. Report the matter to an arbitrator.
14. Complete a grievance form.
15. Form a union grievance committee.
16. Which of the following statements is true regarding layoffs in unionized organizations?
17. In most labor contracts, the highest paid employees are laid off first, with further layoffs made in accordance with performance levels as necessary.
18. In unionized organizations, agreements specify age as the sole decision criterion in layoff and recall situations.
19. If the workforce is increased after a layoff, laid-off employees are to be recalled according to past performance levels for appropriate jobs.
20. In cases involving temporary or emergency layoffs, management is often given more flexibility in selecting employees than in indefinite layoffs.
21. William has been working at H&S for the past 12 years. When some family trouble arose, William wanted to work in the afternoon shift for a month rather than his usual morning shift. The work performed in the afternoon shift was exactly the same as that in the morning shift and William had all the skills required to perform the job. One of his colleagues, Jack, who worked on the afternoon shift, was willing to swap shifts with William for a month but the supervisor did not allow William to change his shift. William reported the grievance to the union and it could not be resolved even after a long discussion with the management. Which of the following steps is most likely to be taken by the union as the final step in the grievance handling procedure?
22. Announce a strike.
23. Report the matter to the NLRB.
24. File a complaint against the employer in the court.
25. Request an arbitrator to resolve the grievance.
26. Peter wants to buy a second-hand car and is in the process of negotiating the price of the car with the seller. The only issue discussed during the negotiation is price. This is an example of \_\_\_\_\_\_\_\_ bargaining.
27. distributive
28. collaborative
29. associative
30. integrative
31. Which of the following is an example of a BATNA of a union negotiating with management?
32. the loss of all management and union jobs
33. the staging of a successful strike
34. the permanent closure of a facility
35. hiring contract workers to replace existing workers
36. Which of the following is an inappropriate and unethical bargaining tactic?
37. promising benefits with no ability to deliver
38. hiding the real bottom line from the opponents
39. making an unrealistically high opening demand
40. gaining information about opponents from outside contacts
41. Which of the following statements is true of integrative bargaining?
42. Integrative bargaining is a “zero-sum” process.
43. In the case of integrative bargaining, resources are viewed as fixed and limited, and each side wants to maximize its share.
44. Integrative bargaining involves creating innovative solutions that meet some interests of both parties.
45. Integrative bargaining is also referred to in general as “win/lose” bargaining.
46. Which of the following is TRUE of strikes?
47. A strike may only be called when there is a genuine inability to reach an agreement.
48. All employees, both in the public as well as private sector, have the right to strike.
49. The right to strike is expressly provided by the National Labor Relations Act.
50. All public sector employees are banned from striking.

**Part C – Short Answer (This section is worth 10% of the test grade. (Each answer is worth 5 points.) Please write only 1 short paragraph to answer each question).**

1. Why has management’s right to subcontract work been the subject of many grievances?

2. Discuss how disciplinary procedures, in conjunction with just cause, affect the labor–management relationship.

**Part D – Case Analysis. (This section is worth 50% of the test grade.)**

Use the terms and concepts covered in the course to analyze this case. Your essay should be between 250 and 500 concisely written words.

Ironsteel and the International Association of Machinists and Aerospace Workers (“Union”) were parties to a collective bargaining agreement expiring May 31, 2011 that covered approximately 250 Ironsteel employees at Ironsteel's North Chicago plant. The Union and Ironsteel began negotiations in March hoping to reach an agreement before the expiration date of May 31st. The negotiations were unsuccessful; the parties were at an impasse. Specifically, the parties could not reach agreement on issues surrounding salary, benefits, and health insurance payments. As a result of the parties' failure to negotiate a new agreement, the Union went out on strike on June 1, 2011. In response to the Union's strike, Ironsteel hired 100 strike replacements, 90 of whom were assigned to Ironsteel's entry level classifications.

During the final stages of the strike Ironsteel and the Union negotiated over the conditions under which the strikers might return to work. The parties agreed to the following language as part of a Strike Settlement Agreement:

"The strike against Ironsteel, Inc. by the Company's employees who are members of the Union is terminated as of the date of this Agreement, July 15, 2011. Striking employees shall be returned to work to openings in the classifications occupied by the employee on May 31, 2011, in accordance with their respective seniority. The recall provisions of the collective bargaining agreement shall determine the order of return to work."

In addition to the above agreed upon language, Ironsteel proposed that the Strike Settlement Agreement contain the following section (Paragraph 2), to which the Union objected:

"2. Jobs filled by employees hired by the Company on or after June 1, 2011 as strike replacements (new hires) for striking employees shall not be considered vacancies to which returning strikers shall be returned unless and until such jobs are vacated by the strike replacements. Such new hires shall not be bumped or displaced by the return of strikers. Such newly hired employees shall become members of the Union as stated in the collective bargaining agreement and their respective seniority shall be measured from their individual hire date.

Because the parties did not agree to Ironsteel's proposal concerning Paragraph 2, the parties determined that while Paragraph 2 would physically remain in the printed Agreement, the following marginal notation would be added reflecting the parties' failure to agree to this particular provision. This marginal note read:

"Paragraph 2 represents the position of the Company and is not agreed to by the Union or waived by the Company."

A new collective bargaining agreement was signed by Ironsteel and the Union on July 15th, the same day the parties signed the Strike Settlement Agreement.

Despite the language of Paragraph 2, Ironsteel fired 10 of the strike replacements on July 17th. The 10 fired strike replacements had paid their union dues. To fill these 10 jobs, Ironsteel brought back 10 strikers in accordance with the recall provisions of the collective bargaining agreement. The 10 strike replacements filed a grievance alleging that their terminations were illegal.

In addition, Ironsteel fired the 12 highest paid strikers. The company thought this would be a good way to save money because if the 12 highly paid strikers returned, they would have retained their seniority and thus, their pay.

You’re the Human Resources Director for Ironsteel and have been charged with addressing the various issues presented by these facts. Your response should minimally respond to the following questions:

1. Was the strike legal?
2. What are the arguments that the 10 strike replacements will make? Were their terminations legal? Will the Union represent the 10 strike replacements? Are their grievances permitted? What is Ironsteel’s argument in rebuttal?
3. What are the arguments that the Union will make on behalf of the 12 highest paid strikers? Were their terminations legal? What is Ironsteel’s argument in rebuttal?

Use the specific statutory provisions, terms and concepts covered in this course to support your analysis.