**Employment Security**

Union members have the rules for determining their employment security spelled out in the contract. Almost always, increasing competitive-status seniority is associated with greater rights to continued employment in a present job or another job for which an employee is qualified. Recently, these rights have been of lower value where employers have opted to close entire facilities, but even there, entitlements to transfers and severance pay are often spelled out in contracts and benefit levels increase with seniority.

Employees in nonunion companies have their employment rights determined by their employers. Unless otherwise provided, it's legally assumed an employee is hired at the will of the employer and can be terminated for a good reason, a bad reason, or no reason at all, as long as the termination is not for a reason prohibited by employment law. However, courts have increasingly narrowed employers' rights to terminate at will, particularly where employers are judged to have acted in bad faith.[25](http://e.pub/vz02dtqivjdqk6eiwbiv.vbk/OEBPS/14_chapter07.xhtml#fn25) Even where employers have contracts with employees, and where a discharge could lead to a breach-of-contract suit, employers may be vulnerable to heavier tort damages for bad-faith behavior associated with a discharge.[26](http://e.pub/vz02dtqivjdqk6eiwbiv.vbk/OEBPS/14_chapter07.xhtml#fn26)

In the reciprocal employment relationship, employees may come to feel that an implied contract exists between them and their employer. When employees invest in developing skills for their present employer and apply conscientious effort, they see themselves as producing benefits Page 207for the employer. In turn, employees may build expectations of long-term employment in return for effort and loyalty.[27](http://e.pub/vz02dtqivjdqk6eiwbiv.vbk/OEBPS/14_chapter07.xhtml#fn27)

Nonunion employers use a variety of methods to enhance employment security for at least some employees. Given the need for flexibility in the workforce, more employers are subcontracting or allocating jobs that need relatively little training about the employer's specific mode of operation to supplemental or complementary workforces of temporary employees. Frequently, these employees are hired on a contract basis for a particular term—usually a year or less. These employees are explicitly told they have no employment security guarantee beyond the period for which they are hired. When faced with a need for major employment reductions, employers have increasingly implemented expanded separation incentives, redeployment to other facilities with or without retraining, training programs for new occupational assignments, expanded personal leaves, and work-sharing programs that involve cuts in salary and hours to save jobs or to provide incentives for those willing to terminate employment.[28](http://e.pub/vz02dtqivjdqk6eiwbiv.vbk/OEBPS/14_chapter07.xhtml#fn28)

**Employee “Voice” Systems**

Lower turnover in unionized situations (detailed in [Chapter 10](http://e.pub/vz02dtqivjdqk6eiwbiv.vbk/OEBPS/17_chapter10.xhtml#chap10)) might be related to the fact that union employees have an opportunity to voice their needs for change through the grievance and negotiation processes. Where these mechanisms are absent, employees who desire change may be able to achieve it only by “voting with their feet.”[29](http://e.pub/vz02dtqivjdqk6eiwbiv.vbk/OEBPS/14_chapter07.xhtml#fn29)

In unionized organizations, employees are able to exercise their voice on immediate issues through grievance procedures and on long-term issues through participation in negotiation committees. Employees who have the greatest disagreements with an organization's operations might be expected to be most involved in union activities at the employer level.

In nonunion employers, employees have no contractual entitlement to redress grievances or to have a voice in how the organization should be run. Some nonunion organizations, particularly those with philosophy-laden backgrounds, have constructed elaborate systems that enable employees to voice complaints and get action on them.[30](http://e.pub/vz02dtqivjdqk6eiwbiv.vbk/OEBPS/14_chapter07.xhtml#fn30)

A model system enables an employee to communicate directly with his or her company's chief executive officer, who has a department that directly investigates causes of complaints and reports its findings. The employee's superiors may be the focus of the investigation, but the employee is not identified, and no reprisals may be made against the person who filed the complaint. [Exhibit 7.1](http://e.pub/vz02dtqivjdqk6eiwbiv.vbk/OEBPS/14_chapter07.xhtml#exh7.1) is an example of how one of these systems works.

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Exhibit 7.1

HP'S OPEN DOOR PHILOSOPHY

HP is committed to creating the best work environment—a place where everyone's voice is heard, where issues are promptly raised and resolved, and where communication flows across all levels of the company. Openness is an essential to quickly resolve customer concerns, to recognize business issues as they arise, and to address the changing needs of our diverse and global workforce.

**Commitment to open communication—Open Door Policy**

The essence of HP's Open Door Policy is open communication in an environment of trust and mutual respect that creates a solid foundation for collaboration, growth, high performance and success across HP.

It provides for a work environment where

* open, honest communication between managers and employees is a day-to-day business practice.
* employees may seek counsel, provide or solicit feedback, or raise concerns within the company.
* managers hold the responsibility for creating a work environment where employees' input is welcome, advice is freely given, and issues are surfaced early and are candidly shared without the fear of retaliation when this input is shared in good faith.

**Grievance Policy**

If you have a question or wish to discuss a possible violation, you should first discuss it with those in your management chain. If you are not comfortable with that approach for any reason, or if no action is taken, please contact the Ethics and Compliance office at: [corporate.compliance@hp.com](mailto:corporate.compliance@hp.com).

**Source:** [www.hp.com/hpinfo/abouthp/diversity/open-door.html](http://www.hp.com/hpinfo/abouthp/diversity/open-door.html).

These so-called **open-door policies** vary substantially in their real access to higher-level managers—in terms of the types of complaints or questions that can be taken up and also the degree to which employees must first contact lower-level supervisors and managers before higher-level managers will review a complaint.[31](http://e.pub/vz02dtqivjdqk6eiwbiv.vbk/OEBPS/14_chapter07.xhtml#fn31)

Another innovative approach is creating an employee review board to act as an impartial group to resolve outstanding grievances. Where this approach is used, a review board of randomly chosen employees or persons at the same relative organizational level as the grievant hears the evidence and renders a binding decision for the employer and the grievant.

(Fossum 206-208)

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