#### CHAPTER 8

# CHANGING VALUES IN THE WORKPLACE AND ARBITRATION

#### WILLIAM E. RENTFRO\*

When I was asked to address this topic, it sounded very interesting. I could think of changes in the attitudes of the parties I had seen in my arbitration practice: in the type of grievances and grievants, in the tactics and procedures utilized by advocates, and in changing attitudes toward work, reliability, and loyalty. But I soon realized that marshalling empirical evidence to support my preliminary thoughts would be next to impossible. In discussing the topic with other arbitrators and advocates, the information I sought was purely anecdotal. Empirical research will be needed to really determine whether there have been changes in fundamental values in the work force and, if so, how arbitration is affected.

In addition to searching my own experience over many years as an arbitrator, I directed a request for input on the subject to upwards of 200 members of the Academy, union and management representatives, and management and labor attorneys. The surprisingly large response to my letter was very helpful. But, as I suspected, there was little unanimity in the answers.

A great number said they saw no significant change in fundamental values in the workplace. Most responses consisted of anecdotal information about perceived changes in attitudes and expectations they had seen in their cases. Insofar as attributes, or values if you will, such as honesty, diligence, cooperativeness, reliability, and competence are concerned, it was a mixed bag.

Some have seen a decline in the work ethic and all that that implies for loyalty and cooperation. An equal number see employees as working harder today. It depends on when and where they

<sup>\*</sup>Member, National Academy of Arbitrators; Professor Emeritus, School of Law, University of Colorado, Boulder, Colorado.

last arbitrated. In addition, what they perceive as an upsurge in the fundamental value called work ethic may result from employees merely reacting normally to difficult economic times and unemployment.

Many observers see changing values inherent in the new younger workers, new individualistic identity, and different perception of rights, apart from what the contract provides or the plant rules require—management's inherent prerogatives—which they do not quite understand. The new breed of worker reflects the stronger societal view today concerning fairness, a full hearing on any and every issue, and the right to object and dissent.

These employees have not been through a depression and know little or no labor history. They are apt to be grievants in arbitration over insubordination or absenteeism more than older employees. I cannot prove that this represents a change in fundamental values. It is based only on anecdotal information.

However, the few values that have changed or are changing, most would agree, relate to job discrimination, sexual harassment, and drug and alcohol problems. These issues in large part represent the introduction of societal and statutory standards into the workplace. Most respondents agreed on these examples of changes in fundamental values that are reflected in arbitration.

We can agree that for the most part, when we talk about changing fundamental values in the workplace, (i.e., the workplace relationship between employer and employee and union) and the values recognized in that context, we mean societal values brought into the workplace or imposed upon it by society. These values do not originate in the lunchroom, in the board room, or necessarily across the bargaining table.

The obvious sources of the most significant changes in workplace values are statutory mandates and regulations enacted to further worthwhile social goals. Early examples are fair labor standards and child labor laws. More recently we can list Title VII of the Civil Rights Act, equal pay, the emergence of rules and guidelines on sexual harassment, environmental concern, the Americans with Disabilities Act, and the Family and Medical Leave Act.

All of these enactments set a much needed standard for corporate responsibility. They do reflect changing societal values. They become values to be achieved in the workplace. They inevitably result in contractual obligations or rules incorporating a right or obligation mandated by statute. Disputes arise, and arbitration will be affected.

Sexual harassment cases were virtually unheard of until the late 1980s. It is amazing that it took 20 years to decide that sexual harassment was sex discrimination proscribed by statute. The federal circuit courts are only now agreeing on a definition of the term "reasonable woman."

Drug and alcohol cases are increasing in number and scope. The Drug Free Work Place Act was the impetus for a proliferation of alcohol and drug programs put in place by companies or negotiated with unions. All of the problems surrounding prohibitions, testing, treatment, and discipline give rise to disputes referred to arbitration.

Employee Assistance Programs (EAPs) are common, and the issues of appropriate discipline and/or treatment and rehabilitation in these cases have become more complex. Employers and unions deserve respect for devising these programs to increase the chance of continued employment for employees who in the past would have been terminated. EAPs have saved from discharge countless employees whose job performance and personal functioning were adversely affected by problems of substance abuse, psychiatric illness, family difficulties, or other personal problems. These programs represent an important example of changing values in the workplace.

Studies indicate that in the early 1970s fewer than 100 companies had prototype EAPs. Currently they exist in most workplaces, private and public. They probably were started by management in response to a feeling of corporate responsibility toward employees and their surrounding communities. Unions became more involved in pressuring for these plans as changes in American culture brought a realization that individual problems could and should be handled the same as any other illness. In recent years, more and more consortium programs have been established. A group of companies and unions jointly develop and fund a program for all employees of a number of small employers in a single group, whereas individual employers would have difficulty going it alone.

The recently passed Americans with Disabilities Act and Family Leave and Medical Act are additional mandates to further worth-while social goals and values. They set needed standards for corporate and union responsibility, which find their way into the collective bargaining agreement, providing for particular benefits or entitlements. Interpreting and applying the law in settling disputes under these provisions is bound to have an impact on the volume of arbitration cases. For example, the Family Leave Act has

been criticized for lacking adequate protection to prevent potential abuse of the new right. Arbitrators will be called on to fill in the gaps and to interpret and apply the rules on family leave.

#### The Fractured Social Contract

To deal with the more basic issues of changing values in the workplace, we must examine what has been happening to companies and unions—the players who shape the workplace—during the last few years. We know that corporations, large and small, and most unions have come upon hard times. In answer to my inquiry concerning changing values, one management officer in a large corporation stated very frankly that he saw a marked change in loyalty, respect, and priorities, largely brought on by leveraged buyouts, bankruptcies, corporate raiders, and a depersonalized style, culminating in more cutthroat, less sensitive management. He wrote: "Work hard, stay loyal, and the company will take care of you is no longer the rule." He regretfully predicted increasing arbitration as long as such contentious attitudes persist. Another management representative summed up his position by stating, "Yes, there is a different set of values today—survival." He meant survival for the company and the union, since both have suffered extensive decline in the past 10 years.

We know that the unionized work force has dropped to its lowest level in 30 years. Less than 16 percent of the work force is organized, and that includes a large and growing number of public-employee union members. That means that today 11.5 percent (less than 10 million) in the private sector work under collective bargaining agreements.

This combination of circumstances commonly results in an escalated confrontational posture on the part of the parties. If unions are strong enough, they will pursue to arbitration every threat perceived as weakening the contract. Grievances will increase in a battle to preserve what they have. Management will try to squeeze all it can in the name of competition and cost cutting.

On the other hand, if the union is weak and unable to produce for the members, it will be inclined to take cases to arbitration that should not be there, to show the members that it is doing something for them. We have noted an increase in duty-of-fair-representation (DFR) suits when unions elect not to take a perceived weak case to arbitration. Also, we see individual rights-oriented employees bypassing the union and hiring their own lawyer, perhaps pursuing a statutory remedy instead of a grievance. But these are only temporary manifestations.

Academy member Walter Gershenfeld, who called me to answer my request for input on this topic, suggested that I look into the social contract theory as a way to approach changing values in the workplace and referred me to his son, Joel Cutcher-Gershenfeld, at Michigan State's School of Labor and Industrial Relations. So I called Joel. He was most helpful. He explained a theory being developed in a book he is coauthoring with Bob McKersie, another Academy member, and others. They are looking at the product of labor negotiations that are highly cooperative as opposed to highly contentious. Their investigation has resulted in an interesting conclusion concerning the outcome of bargaining. The parties have reached not only a substantive contract but also what they call a "social contract," that is, a level of understanding or agreement about what the broad quid pro quos are and what kind of relationship it will be. In many ways the social contract is more difficult to achieve and more important to the parties than the usual agreement. He informed me that industrial relations scholars have studied economic pressures and employer responses to them in the context of a breakdown in a social contract which traditionally accompanies the substantive collective bargaining agreement. The social contract is the unwritten article of faith and trust promising that, if you work hard and do a good job, you can depend on continued employment, as well as respect and consideration as a valued partner in the enterprise. The breach of that social contract is wreaking havoc in labor-management relationships.

The concept of a social contract is also used by management consultants and business leaders when speaking of the impact of layoffs and terminations on middle management, although they say the findings apply across the entire work force. A recent article, dealing with the wave of staff cutbacks hitting white collar employees, pointed out that nearly half of all workers are concerned about holding their jobs. These worries are exacting an emotional and physical as well as financial toll on employees. The article claimed that the old social contract is gone—erased by worldwide economic, competitive, technological, and social changes—and cannot be replaced because it is difficult to guarantee stable employment for life. But a new cooperative approach to organizing and

<sup>&</sup>lt;sup>1</sup>Reynolds, Whither America's Work Ethic: Lost in Turbulent Times?81 Mgmt. Rev. 20 (1992),

running the workplace, and in solving problems with joint input from workers and managers, can go a long way toward establishing a new social contract.

Industrial and labor relations researchers who have been studying the breach of the social contract find that there are three common responses or reactions by the parties. One third are satisfied or complacent and do nothing; one third exacerbate the failed social contract, each blaming the other with the relationship going downhill; and the remaining third look for new ways to work together in a cooperative effort. The parties in this last third are solving their own disputes and even developing alternative mechanisms for doing so.

The first group is usually found in less competitive industries. They are content with the status quo. The company is comfortable with a union which commonly poses no real threat, and yet is handy to have around. In most industries today there is no realistic, viable right to strike. The union is comfortable with what it can gain from time to time, even holding onto benefits won in the past. Taking appropriate cases to arbitration is enough to satisfy a membership not interested, under present conditions, in resurrecting the original spirit of the labor movement.

The response of the second third is confrontation and a continuing deterioration of the relationship. These situations are characterized (in the words of the corporate officer who responded to my letter) as "depersonalized-more cut throat-less sensitive." These unions are fighting back the best they can. They have learned: "If it's not in the contract, you don't have it. If it is, management will try to take it away." The era of trust and loyalty is over. The union presses every possible contract violation into the grievance machinery and to arbitration. Both contractual and discharge cases become more important and hard fought because there is no longer the mutual respect that leads to settlements and compromise. In these situations there will be no noticeable effect on arbitration, except perhaps an expanding role. Both parties feel that their fundamental interests are threatened. They are no longer interested in problem solving or a cooperative, constructive approach to resolving grievances.

Before we look at the third response to the failed social contract and the resulting problems, let me digress long enough to mention another somewhat related matter that, in a way, is tied into the social contract theory and changing societal values. I refer to the fact that the vast majority of employees in private industry, both blue and white collar, hourly, salaried, and managers, are unrepresented by a union and not covered by a contract with an arbitration clause.

What happens to them when the social contract, as it were, is breaking down, and there are relatively few mechanisms to which they can turn? There is a public perception that, while these employees are members of the work force, there are few if any remedies available—little recourse of any kind in the face of perceived unfair treatment. At the same time, society seems to value the due process hearing and would like to see it extended to all workers.

Although other motives may be involved, one result is the introduction of employer-promulgated arbitration systems and the proposed Uniform Employment Termination Act. The Termination Act was strongly supported by Howard Block in his 1991 Academy presidential address entitled "Toward a Kinder and Gentler Society." With that title, he obviously perceived that Act as a fundamental value to the workplace, which, if enacted, would have a profound effect on arbitration.

Let us now return to the third response to the failed social contract. If the social contract continues to deteriorate and confrontational attitudes prevail, the arbitration forum will be just one of many battlegrounds in the continuing conflict. If the parties decide that they have had enough confrontation in their relationship (and this represents about one third of them) and they take a cooperative rather than contentious approach by establishing an organization in the workplace that depends on continuous negotiations in a sense—joint committees and other kinds of problemsolving collaboration in the governance of their affairs—there is a high likelihood that some form of grievance mediation or other constructive system will resolve grievances before they reach arbitration. Incorporating such a new fundamental value into the workplace would have a profound effect on the number of cases going to arbitration.

Academy past president Rolf Valtin sent a particularly thoughtful response to my letter. After speaking of the global economy, the economic pressure and failures in American business, and the impact on job security, he summed up his position succinctly:

<sup>&</sup>lt;sup>2</sup>Block, *The Presidential Address: Toward a "Kinder and Gentler" Society*, in Arbitration 1991: The Changing Face of Arbitration in Theory and Practice, Proceedings of the 44th Annual Meeting, National Academy of Arbitrators, ed. Gruenberg (BNA Books, 1992), 12.

Another effect is that there will be less arbitration. Parties who are knowingly striving to become more competitive are parties who prefer agreement-reaching over conflict and who otherwise regard arbitration as a wasteful activity. And a further effect is that there is increasing interest in mediation as a non-adversarial, problem-solving approach for resolving grievances. Grievance mediation is a substantial and stillgrowing development, and my own practice has changed accordingly. It will not surprise me if the full-time neutral will soon become known as arbitrator/mediator rather than arbitrator.

This response is only one of a number that companies and unions have come up with in recent years. Two in particular deserve notice because they represent fundamental changes and values in the workplace. The first is the establishment of a cooperative relationship between the company and the union that really works. The second is the employee participation plan pioneered at New United Motors Manufacturing, Inc. (NUMMI), and at Saturn, which carry cooperation further in decisionmaking formerly reserved only to management. Both approaches are answers to the breakdown of the social contract.

## The GM-UAW Response

A plan of action, which I shall refer to as the GM-UAW response, has been surprisingly successful in bringing cooperative joint participation into the workplace relationship and in preventing or repairing a breach of the social contract. I found it interesting that at the Academy meeting two years ago in Washington, in responding to Dick Mittenthal's excellent analysis of the evolution of arbitration and his conclusion that the Noble Braden model of a judicial-type process had prevailed over George Taylor's bargaining model of arbitration,3 both Academy members who commented on the paper—Bob McKersie<sup>4</sup> and Ted St. Antoine<sup>5</sup>—had occasion to refer to the GM-UAW response to competition and conflict in the workplace. McKersie characterized it as "the increased emphasis on collaboration and jointness in union-management relations,"6 and predicted that this would be a major trend that will significantly decrease the need for arbitration.

St. Antoine pointed to "the parties' increasing sophistication and capacity to deal effectively with their problems on their own." If I

<sup>&</sup>lt;sup>3</sup>Mittenthal, Whither Arbitration? in Arbitration 1991, supra note 2, at 35.

<sup>&</sup>lt;sup>4</sup>McKersie, Comment, in Arbitration 1991, supra note 2, at 50. <sup>5</sup>St. Antoine, Comment, in Arbitration 1991, supra note 2, at 55.

<sup>&</sup>lt;sup>6</sup>McKersie, supra note 4, at 51. 7St. Antoine, supra note 5, at 57.

am not mistaken, that has to mean "without our help as arbitrators." Ted went on to report on an intensive study of collective bargaining and arbitration between General Motors and the United Auto Workers he had conducted in the mid-1980s. Bear in mind that this labor contract covers in the neighborhood of 100 plants and more than 200,000 employees. The late 1970s and early 1980s was a period of intense conflict between the parties. About 300,000 grievances were filed annually during that time. By the mid-1980s the number of grievances was down to a few thousand, and the decisional output of the permanent umpire was down to five or six cases a year. St. Antoine's study at that time indicated that the parties attributed this remarkable record of voluntary settlement to their mutual knowledge, gained from experience, of how an arbitrator would probably rule on given grievances.

To learn more about this GM-UAW experience, I checked recently with James LaLonde, GM labor relations representative, and with Academy past president Tom Roberts, the current underemployed GM-UAW umpire. I am happy to report that the positive experience continues. Over the past 8 to 10 years, an average of only five or six grievances have reached arbitration. This year Roberts has yet to hear a case. I asked Jim LaLonde how he accounted for this kind of success in settling problems. He said that it went back to a time of confrontation with UAW in the late 1970s and early 1980s, when the company and the union agreed to a concept called "jointness," involving the UAW in GM business as a joint partner. When asked what was meant by the term "jointness," he described it as a combination of attitude, contractual provision, contractual agreements, and locally implemented joint activities which involve union representatives in all matters affecting the workplace, efficient operations, and the concerns of the work force. In addition, both parties staff full-time arbitration offices to quickly investigate grievances at the source and work jointly to effect nonprecedential resolution of them.

The positive results achieved by GM and UAW, and a growing number of other companies and unions, are grounded in a number of basic principles:

1. The joint responsibility of both parties to work together to improve the economic performance of the company for mutual gain;

- 2. Company acceptance of the union's role within the enterprise;
- 3. Mutual recognition of the need to protect employment security as much as possible when reconciling tensions between competitiveness and human values;
- 4. Full employee participation; and
- 5. Commitment to resolve differences fairly and amicably.

These principles are more fully explained in a monograph published by the Collective Bargaining Forum titled "Labor-Management Commitment: A Compact for Change." The Forum, made up of six or eight major unions and a like number of corporations, describes this approach as "the forging of relationships suited to the times, and to the needs of the unions and companies."

### **Employee Participation Plans**

These principles of cooperation have been carried to a higher level by adding participation by employees in the fullest sense of that word. The two best-known employee participation plans have been adopted by NUMMI, formed by General Motors and Toyota at Fremont, California, and at the General Motors Saturn plant in Tennessee.

Saturn is the leading example of independent teams around which employee participation is structured. There, groups of 5 to 15 workers perform managerial tasks usually reserved for a supervisor. They elect representatives to higher level teams which make joint decisions with management on virtually every aspect of the business, from car design to marketing to sticker price. Saturn, of course, is unionized, but a similar approach could and has worked at unorganized plants when allowed to function free of company domination. Bob McKersie reported, in his remarks at the 1991 Academy meeting, that in the four years of operations up to that time with over 3,000 employees only three grievances had been filed, all protesting discharge, and none have gone to arbitration. <sup>10</sup> As far as I have been able to ascertain, that record is still intact.

NUMMI is a joint venture, operated by General Motors and Toyota and incorporated as an independent California company. It was launched as an experiment to find out whether Toyota's famed manufacturing system could be implemented successfully

 $<sup>^{9}</sup> Gilmour, \ Union-Management \ Cooperation, 43 \ Lab. \ L.J. 513 \ (1992).$   $^{10} Supra$  note 4.

with unionized American workers and U.S. suppliers. A recent article in *Industry Week* states:

Today, the answer seems clear, NUMMI—which went into full production in November 1985 in a facility that had been abandoned by GM—has not only been a commercial success; it has also demonstrated the potential of American workers in a nonadversarial environment that emphasizes teamwork, mutual trust, and respect.<sup>11</sup>

We have all read statements of that kind about NUMMI, but I for one did not have a clear idea of how the workplace—the team approach and decisionmaking by the team of workers usually made by supervision—was actually structured. This employee participation approach is well explained in a recent article by Academy member Paul Staudhar of California State University. He tells the story of a failed General Motors operation which was closed in 1982. The social contract had been destroyed. Staudhar summarizes:

To the people who worked there, the old GM plant was called the "battleship." Workers were constantly at war with management. At the time of the closure, over a thousand grievances were pending. The UAW local was one of the most militant in the country.

Absenteeism commonly exceeded 20 percent. Drugs moved freely around the plant. Beer bottles littered the parking lot. The plant became known for inferior productivity and quality. 12

The old GM plant had 81 job classifications for unskilled workers and 14 for the skilled trades. Today there is one classification for production and one for general maintenance and tool and die. There are 4 supervisory levels at NUMMI, as compared with 6 or 7 at other U.S. plants. Supervisory levels are reduced because rank and file employees perform many functions usually reserved for managers, such as hiring, looking for and correcting problem areas, and ordering parts. The 2,400 hourly employees are organized into teams of 5 to 10 members, who rotate among as many as 15 jobs. Each team has a leader, formerly chosen by management, now jointly selected. Group leaders (salaried, nonbargaining unit employees) supervise 4 to 6 teams.

How serious are these people? Consider paragraph 1.3 of the collective bargaining agreement between NUMMI and the UAW, from a section dealing with the commitments and responsibilities of both parties:

<sup>&</sup>lt;sup>11</sup>Indus. Week (Oct. 15, 1990), 42.

<sup>&</sup>lt;sup>12</sup>Staudhar, Labor-Management Cooperation at NUMMI, 42 Lab. L.J. 57 (1991).

To achieve the common goal of maintaining and improving the quality of life for employees and their families through Company

growth the parties are committed to:

\* Maintain a prosperous business operation necessary to maintain fair wages and benefits that will assure a satisfactory standard of living and to provide secure jobs with the opportunity for advancement;

\* Provide workers a voice in their own destiny in decisions that affect

their lives before such decisions are made;

\* Provide that the plant is operated under methods which will promote, to the fullest extent possible, economy of operation, quality and quantity of output, cleanliness of the plant, and protection of property;

\* Work together as a team;

\* Build the highest quality automobile in the world at the lowest possible cost to the consumer;

\* Promote full communication over the established policies and

procedures;

\* Cooperate with established standards of conduct and promote fair and equitable treatment;

\* Maintain a safe work place utilizing new and innovative programs that could be a model for use throughout the entire industry;

- \* Resolve employee concerns through procedures using problem solving and non-adversarial techniques that are based on consensus instead of confrontation;
- \* Recognize the full worth and dignity of all employees, both bargaining unit and non-bargaining unit; and to treat each other with respect;

Constantly seek improvement in quality, efficiency and work environment through KAIZEN, QC circles, and suggestion programs;

and

\* Recognize and respect each other's rights and perform all responsibilities sincerely.15

That is dedication and commitment, the likes of which is hard to find in American industry.

Consider this: The Chevy Nova, once built at NUMMI, did not prove to be a particularly popular car. There were five production slowdowns necessary, one of which slowed to the point of producing cars at 60 percent of line capacity. There were approximately 300 people showing up for work each day who really were not needed to build cars. At an ordinary auto plant, this situation would have caused one result: laying off 300 people. But a commitment is a commitment. The people who were not needed to build cars did a variety of things. They were used to problem solve and improve; they built racks; they were trained and did training; they helped

<sup>&</sup>lt;sup>13</sup>Valish, NUMMI: Proving That Cars Can Be Built in California, 104 Production 36 (1992).

establish standardized work practices. They did a number of things to make NUMMI a better place.

Does that kind of mutual commitment not sound like an updated and expanded social contract—not unwritten but included in the same contract covering traditional wages, hours, and conditions of employment? Consider this clause in the same contract: "The company agrees that it will not lay off employees unless compelled to do so by severe economic conditions that threaten the long-term financial viability of the company." The contract goes so far as to pledge that alternative measures—including "the reduction of salaries of its officers and management"—will be taken before resorting to layoffs. 14

This kind of organization and cooperation warrants a finding that the need for arbitration has been drastically reduced. However, other questions have been and will be raised. Some unions will claim that the team concept is a device to keep unions out. Some companies will claim that the works-council idea, as it is called at Saturn, can be a backdoor organizing tool for unions. In spite of these inevitable problems and critics, there is clearly a growing recognition on the part of both labor and management that a better system of dispute resolution must be found and that the fundamental value of and necessity for jointness, if you will, is required to reestablish a stronger social contract in order to compete and flourish in today's global economy and all it entails.

That new social contract must include not only the promise of job security for loyal employee participation and effort, but also another important factor aptly stated in a letter from Academy past president Syl Garrett, who should have an accurate perception on this issue based on his long experience as an umpire in the steel industry:

The situation today is vastly different [than the confrontational attitudes of the past]. A most notable development is the mutual recognition of the need for cooperation in order to remain competitive and to maintain job opportunities."

He suggested that the new USWA basic steel wage policy could mark the beginning of a dramatically improved relationship in many of the large steel companies. The details of that new approach have not as yet been widely publicized, but reports point

<sup>&</sup>lt;sup>14</sup>Sheridan, America's Best Plants, 239 Indus. Week 27 (1990).

to the Union's willingness to restructure the work force and reorganize how the work is done in order to improve quality and productivity and reduce costs through worker attrition and reduced management.

This new version of labor-management cooperation is spreading more rapidly than we think. A 1993 article entitled "Making Teamwork Work" stated that employee involvement systems, such as empowering employee teams, have been set up by the thousands in recent years. This process gave rise to the *Electromation* case decided by the National Labor Relations Board in December 1992, holding that the plan instituted by Electromation (a maker of electrical parts) violated the National Labor Relations Act (NLRA) because teams of workers dealt with wages and working conditions and were dominated by management. The plant was not unionized.

So what does the future hold?

- 1. With regard to employee participation plans: Although the primary examples, Saturn and NUMMI, are unique and experimental, they show much promise. The results so far are very encouraging. The employee team concept is being closely watched, and hundreds of employers have moved in that direction. The *Electromation* decision will not be decisive. The same ingenuity that established the concept will be able to make it conform to NLRA. At least, there should be no problem in unionized plants. A few weeks ago the UAW members at Saturn voted 2 to 1 to keep their innovative contract. Saturn is now in the process of buying another plant to expand the operation.
- 2. Certainly, as demonstrated by GM and UAW, the cooperative joint involvement (company and union) in most phases of the enterprise, with the virtual elimination of grievances going to arbitration, will spread, particularly in large companies.
- 3. With respect to new and expanding social legislation to bring changing values into the workplace: Arbitrators must be prepared, informed, and capable of handling new cases under agreements incorporating the requirements of external law. Disputes involving external law will increasingly be handled by arbitration. There is much official encouragement and sanctioning of such use of arbitration in the statutes themselves, and in the attitudes and opinions of the courts and administrative agencies.

 <sup>&</sup>lt;sup>15</sup> Making Teamwork Work, Bus. Week, (Jan. 23, 1993).
<sup>16</sup>309 NLRB No. 163, 142 LRRM 1001 (1992).