



# A voice for workers in a time of crisis

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The covid-19 pandemic is a public health crisis—but it is also an employment crisis, in multiple ways. Tens of millions of Americans have been furloughed or laid off. For many of those who remained, or returned to the workforce in frontline roles, going to work became an exercise in risk-taking. Some workers began protesting a lack of workplace covid-19 safety precautions, including personal protective equipment (PPE). Walkouts, “sickouts” and strikes increased.<sup>1</sup> Interest in joining unions, and public support for them, went up,<sup>2</sup> as workers feared being fired while seeking enhanced safety measures, paid sick time and other pandemic-specific benefits.

In other words, the pandemic has underscored the value of collectively bargained wages and benefits, and the role unions can play in bolstering workers’ safety. To understand the nature and extent of the differing work experiences of unionised and non-unionised workers during the pandemic, Economist Impact (formerly The Economist Intelligence Unit) surveyed 1,001 union members and 153 union representatives and executives in organisations with unionised workers around the US across various functional roles and major sectors.

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The survey, part of the Recovery, resilience and the road ahead programme sponsored by Prudential, assessed workers’ concerns, priorities and financial challenges, as well as their perceptions of organisations and outlook on the future.

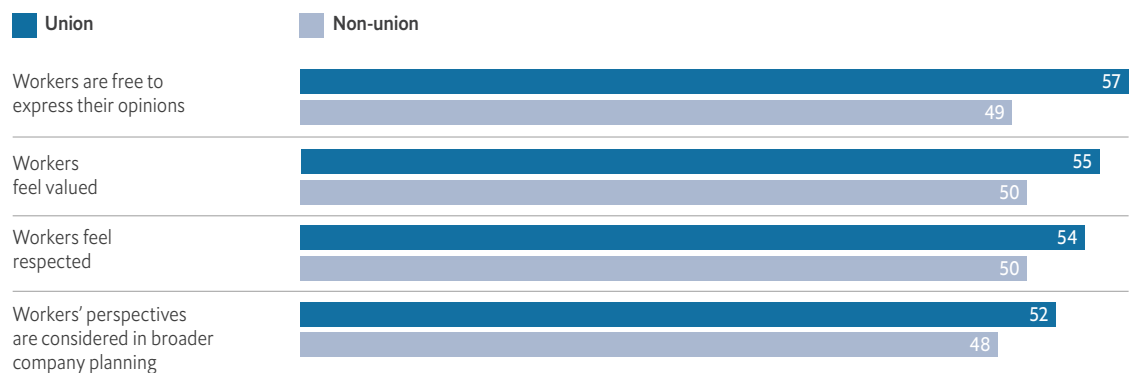
What emerges from survey results is a clear sense that workers’ union member status has played a substantial role in shaping their work experience in the covid-19 era. They tend to feel more valued by their organisations and more optimistic about the future compared with non-union workers. But like so many non-union workers during the pandemic, they are worried about financial challenges. Whether or not a union is advocating for their needs, few workers have been immune to the profound stresses and challenges presented by the historic pandemic.

**Union members feel more valued and respected by their organisation compared with non-union workers—and they’re more likely to feel optimistic about the future.**

In various ways, union workers were more likely to feel that their organisation valued their opinions and perspectives. Perhaps surprisingly, given the unprecedented challenges presented by covid-19, a majority of surveyed union workers said the worker-organisation relationship had improved over the previous year [Figure 1]. This may be because, in a time of crisis, unions were able to give voice to their members’ needs and concerns through formal channels provided via collective bargaining agreements—and workers felt their organisations listened and responded.

**Figure 1: A worker-organisation experience changed by the covid-19 pandemic.**

How have these elements of the worker-organisation relationship at your organisation changed over the past year? (% Somewhat or greatly increased)



Source: Economist Impact

Though an additional portion of respondents that felt their experience stayed the same in the midst of the pandemic, in line with the above results, union members were more likely to feel positively on a number of fronts beyond the worker-organisation relationship, compared with non-union respondents. For example, the portion of union members reporting a positive impact of covid-19 on the wellbeing of themselves and their peers was significantly higher than that of non-union workers. The survey asked workers about the impact in four realms—physical, mental, financial and social wellbeing—and in all of them, union respondents were more likely to say covid-19 had a “somewhat” or “very” positive impact.

Similarly, union members were more optimistic when looking ahead. Two-thirds of this cohort said they were very or extremely optimistic about the future outlook of their job, versus 61% of non-union members. Additionally, 74% of union members were very or extremely confident that their current skill set will allow them to keep their job, compared with 68% for non-union members. But a larger divide emerged with respect to confidence around moving up an organisation’s ladder. While 61%

of union members were very or extremely confident that their current skills will allow them to secure a promotion, only 47% of non-union respondents felt this way. This could be because many union contracts detail skill requirements for various positions in the bargaining unit, making the path upward clearer.

**It appears that organisations with unionised members were more likely to increase pay and benefits for workers since the onset of the pandemic, compared with organisations with no union.**

The survey asked executives from organisations with unionised members to what extent they had increased investments in workers’ pay and benefits since covid-19. Fifty-seven percent said they had either moderately or significantly done so—compared with just 40% of executives at organisations with no union members. This may signal that unions were more likely to secure things like hardship pay and paid sick time for their members, compared with non-unionised workers, and/or more likely to secure wage and benefit gains within collective bargaining agreements negotiated during the pandemic.<sup>3</sup>

Similarly, 59% of executives from organisations with unionised members mentioned that their organisation increased its investment in financial wellness education and resources, compared with 44% of those from organisations with no union workers. Again, this may indicate greater organisation responsiveness to worker needs in a unionised environment. While 27% of union members mentioned that their organisation prioritised workers' financial wellbeing in dealing with covid-19, 21% of non-union members felt this way.

Accordingly, money is top of mind for union members (as well as non-union respondents). When asked to name the most effective ways to recognise workers and enhance the worker-organisation relationship, their top three selections were: financial rewards such as salary increases and bonuses, rewarding workers for hard work (not just business results), and comprehensive benefits covering workers' financial wellness and retirement needs.

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## While union members were more likely to feel cared for, they were not immune to financial challenges during the pandemic.

In the US, workers covered by a union contract earn higher wages,<sup>4</sup> on average. Nonetheless, survey results make clear that financial concerns are significant in the unionised workforce. For example, 40% of union workers said they were very or extremely worried about having money to pay for an unexpected expense and 38% of union members were worried about their day-to-day finances.

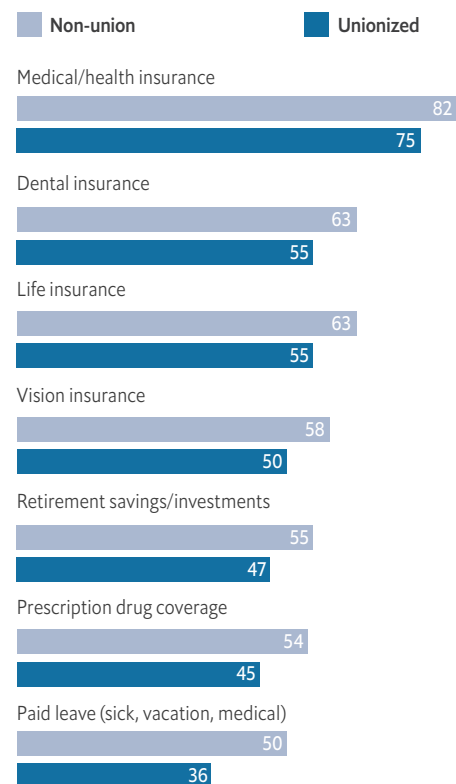
The most common financial challenges experienced by union members as a result of the covid-19 pandemic? Increased debt and lower income. About 41% of respondents chose these two challenges. Worryingly, only 16% of union members said they had access to financial wellness tools and resources (irrespective of whether they use them or not)—although this low figure may have more to do with perception than actual resources provided by their organisation, this still provides organisations with an opportunity to increase engagement among workers to make sure they are aware of the tools and resources available to them.

Perhaps surprisingly, given that union workers are more likely to have access to health benefits provided by their organisation than non-union workers<sup>5</sup> (Figure 2), relatively high levels of union respondents voiced concerns over access to benefits and their cost. Nearly 40% said they were very or extremely worried about working the hours required for benefits, and the same percentage said they were very worried about access to and/or the cost of benefits.

(About 35% and 40%, respectively, said they were not at all worried about these things.) In fact, the survey indicated union workers were less likely to have access to a wide range of benefits compared with non-union workers<sup>6</sup> (Figure 2). This includes medical, dental, vision and life insurance, retirement savings, prescription drug coverage and paid leave.

**Figure 2. Non-unionised workers said they were more likely to have access to a broad array of benefits compared with union members.**

Whether or not you use them, do you or your family currently have access to any of the following types of benefits? (%)



Source: Economist Impact



## Conclusion: Unions Prove Their Value

If there were ever a time American workers needed to make their voices heard on the job, it would be during the covid-19 pandemic. The virus presented a mortal threat in workplaces across the country, but many workers were asked to work without being given adequate protective gear. Hazard pay for frontline workers hailed as heroes was short-lived or nonexistent.

In a time of urgent, universally experienced crisis, unions proved they can protect and

advocate for the interests of workers—thereby helping their members feel valued and heard by organisations. Evidence for this comes through in the survey data, most notably in Figure 1.

The number of US workers represented by a union has been in steady decline for decades. Whether or not covid-19 helps to reverse that trend remains to be seen. What the crisis has made clear, however, is that many organisations are not meeting the full range of workers' needs—and their flexibility and patience is not limitless.



## Endnotes

1. Abigail Abrams (2021). The Challenges Posed By COVID-19 Pushed Many Workers to Strike. Will the Labor Movement See Sustained Interest? <https://time.com/5928528/frontline-workers-strikes-labor/>
2. Abigail Johnson Hess (2021). How the coronavirus pandemic may be causing support of labor unions to rise. <https://www.cnbc.com/2021/01/29/support-of-labor-unions-is-at-65percentheres-whats-behind-the-rise.html>
3. Celine McNicholas, Daniel Perez, Margaret Poydock, Lynn Rhinehart, and Heidi Shierholz (2020). Why unions are good for workers—especially in a crisis like COVID-19. <https://www.epi.org/publication/why-unions-are-good-for-workers-especially-in-a-crisis-like-covid-19-12-policies-that-would-boost-worker-rights-safety-and-wages/>
4. Celine McNicholas, Daniel Perez, Margaret Poydock, Lynn Rhinehart, and Heidi Shierholz (2020). Why unions are good for workers—especially in a crisis like COVID-19. <https://www.epi.org/publication/why-unions-are-good-for-workers-especially-in-a-crisis-like-covid-19-12-policies-that-would-boost-worker-rights-safety-and-wages/>
5. Celine McNicholas, Daniel Perez, Margaret Poydock, Lynn Rhinehart, and Heidi Shierholz (2020). Why unions are good for workers—especially in a crisis like COVID-19. <https://www.epi.org/publication/why-unions-are-good-for-workers-especially-in-a-crisis-like-covid-19-12-policies-that-would-boost-worker-rights-safety-and-wages/>
6. Our survey data skew towards respondents being predominantly from industries with low union membership rates. The top four industries, (manufacturing, construction/trade, healthcare/social assistance, and technology/IT) combined accounted for 59.5% of union respondents to this survey. Among them, according to the U.S. Bureau of Labor statistics, as of 2020, the union membership rate for the manufacturing (8.5%), healthcare and social assistance (7.1%), and tech/telecommunications (14.1%) sectors all were below 15%. Consequently the survey's scope may give a skewed picture of the workforce with respect to provision of benefits for union versus. non-union workers.

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