

# How Unionization is Impacting the Nonprofit World



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The word "union" is being heard more frequently at nonprofits—from boardrooms and leadership meetings to employee chats in the breakroom or on videoconference.

Fifteen years ago, it was relatively unusual to hear about nonprofit unionization campaigns, but that's changing.

"Employees of social justice nonprofit organizations have been unionizing in record numbers," the authors of the "Beyond Neutrality: Navigating Challenges and Leveraging Opportunities of Staff Unions in Social Change Nonprofits" report, created with support from the Ford Foundation, wrote in 2023. The report found six major unions, plus affiliates, with active campaigns and contracts across more than 75 nonprofits. Those numbers, while they represent a very small percentage of the nation's nonprofits and do not reflect all union activity in the sector, continue to grow.

Increasing union activity is one of many changes to the nonprofit employment landscape that accelerated in recent years. Nonprofit employees have demonstrated, held strikes, and negotiated for higher wages and benefits. Disagreements between leadership and employees that might once have played out behind closed doors now spill over onto social media. And in 2025, many nonprofits that receive federal money face funding disruptions, which could increase union interest among nonprofit staff or impact the unionization movement in other ways.

At NRMC, we define risks as possibilities—events or decisions that haven't happened yet but could have a major impact on your mission if they occur. A variety of potentially disruptive possibilities come to mind for any organization with a new collective bargaining unit. Additional risks arise when relations between management and a current union become tense. Nonprofit unionization could lead to a more equitable distribution of power and greater employee satisfaction at an organization. It could also lead to conflict and tension, or a mix of positive, negative, and neutral consequences.

If you're not already thinking about how union organizing could impact your nonprofit, we encourage you to. If you are thinking about it, or currently navigating union formation, we have some guidance.

In this article, we'll explore the factors affecting nonprofit unionization; share guidance for strong relations with

your employees, whether you have a union or not; and provide insight from a risk perspective on what to do and not do if your nonprofit experiences a union organizing effort.

#### Why Union Activity in Nonprofits Is Rising

Several factors are contributing to the increase in union organizing within nonprofits, said David A. Zonderman, professor of labor and nonprofit history at North Carolina State University. Research shows that younger workers are more likely to support unions, and nonprofits have significant representation of younger workers. Almost half of the nonprofit workforce was between the ages of 25 and 44 in 2022, according to a <u>study by United for ALICE and Independent Sector</u>.

Zonderman also noted that many people who enter the nonprofit field skew progressive politically and tend to look more favorably on the idea of organizing. And unions have begun more active organizing with nonprofits in recent years, he said.

<u>Gallup statistics show</u> that public approval of unions has surpassed 70%, compared to 53% 10 years ago. The federal government does not track statistics on nonprofit unionization, but about 10% of the nation's workforce belongs to a union, <u>according to the U.S. Bureau of Labor Statistics</u>. That's down from <u>about 20% in 1983</u>, which the BLS says was the first year of comparable data.

The Beyond Neutrality report describes unionization as a disruptive force that can spark positive change for nonprofit leaders and organizations, as well as surfacing big challenges. Many nonprofit employers support the idea of worker equality and power-sharing, but may not have the training, experience, or support to respond thoughtfully when a union formation effort arises, according to the report. And the report notes that nonprofit unionization is championing progress on racial justice in some cases, while impeding it in others. Even as unions put forward proposals to advance racial equity, some nonprofits may experience confusion about what topics must go through a bargaining committee and how unions impact existing racial justice work.

Given the many challenges nonprofits and their employees face, Zonderman expects interest in nonprofit unionization to stay high and thinks more workplaces may try to organize. But he expects that could become more challenging, due in part to changes in leadership and areas of focus at the National Labor Relations Board.

Amid this complex picture, what should nonprofit employers focus on? Consider whether you should make changes to strengthen relationships with your employees. That's an effort that can serve any nonprofit well, regardless of whether you have a union in place or in formation.

#### **Building Strong Employee Relations**

Here are some steps all nonprofits can take, regardless of union status, to build strong relationships with their employees. (Specifics on considerations for nonprofit workplaces that have or may form a union follow in subsequent sections.)

- Create clear paths for employee feedback and ideas. Let employees know how they can share their opinions, wants and needs. Make sure they know how to ask for guidance or support from their manager. Ask managers to hold frequent one-on-one meetings with team members to provide feedback and periodic all-staff gatherings to share information. Survey employees at least once a year on what's working and what's not.
- Act on the feedback you receive. When an individual or group of employees raises an issue, respond to it as soon as you can. If a request isn't doable or will take time, let employees know that.
- Offer the most competitive pay and benefits you can. Take a comprehensive look at your pay and benefits annually to see if they still reflect the marketplace. Use our resource "How to Do a Compensation Review for Your Nonprofit" as a guide.
- Work to ensure employees from all backgrounds feel seen and heard. Ask your team members what type of supervision works best for them, such as what kind of positive and constructive feedback they prefer and honor all the requests you can.
- Communicate the rules clearly and often. Revisit your employee handbook to make sure all policies

that impact employees are clear. Communicate key policies and policy changes regularly through multiple channels.

• Make professional development available to all. Create an organization-wide professional development framework, using our resource <u>"How to Create an Employee Professional Development Plan"</u> as a guide.

#### **What Union Formation Involves**

If your workforce is exploring forming a union, or might in the future, what can you expect?

The <u>federal National Labor Relations Act</u> gives most private-sector employees the right to form or join a union and take part in protected activities to improve working conditions. Those activities include protesting low pay, unsafe working conditions, or discrimination. The NLRA typically does not cover supervisors, although some supervisors may be covered if they have been discriminated against for refusing to violate the NLRA.

When employees want to form a union, employers often respond in one of a few ways: voluntarily recognizing the union; maintaining neutrality, which means taking no position for or against the union; or opposing the union and working to discourage its formation.

Voluntary recognition allows employees to have collective bargaining representation based on a showing of majority support, without a formal election. Employers aren't required to voluntarily recognize a union, but in a factsheet for employers, the <u>U.S. Department of Labor notes that</u> "Voluntarily recognizing a union starts the collective bargaining relationship on a positive note. It streamlines the process for beginning negotiations on wages, hours, and other terms and conditions of employment."

Given the nonprofit sector's focus on assisting people in society who need help, said Zonderman, "It would be really good if the nonprofit sector could model more of this nonadversarial organizing and collective bargaining."

If employers do not voluntarily recognize a union, the workplace must hold an election conducted by the National Labor Relations Board.

If a union is certified or recognized through that process, the employer is legally required to bargain with them in good faith about mandatory subjects like wages and hours. The law does not require that the employer and union reach agreement on any issue.

After a union petition is filed, the NLRB will investigate whether the union is qualified, if the NLRB has jurisdiction, and if any existing contracts bar the formation of a union. The NLRB seeks agreement between the employer and organizing employees on a date and time for the election. If they reach agreement, the NLRB Regional Director conducts the election. If they don't reach agreement, the Regional Director holds a hearing and then may order a union election. If a union receives the majority of votes cast in an election, it is certified.

### What Employers and Unions Can't Do

While employers have a variety of options when employees express a desire to form a union, there are some things they legally cannot do. That's also true for unions.

Under the law, employers may not:

- Threaten to fire employees or cut their salary or benefits if they join or vote for a union or take part in protected organizing activity.
- Threaten to close the organization if employees approve a union.
- Question employees about their union sympathies or activities in ways that interfere with, restrain or coerce employees exercising their bargaining rights.
- Promise benefits to employees if they don't support a union.
- Transfer, lay off, fire, assign more difficult work tasks, or otherwise punish employees for taking part in organizing activities.

• Transfer, lay off, terminate, assign more difficult work tasks, or otherwise punish employees because they filed unfair labor practice charges or took part in an NLRB investigation.

Unions legally are not allowed to:

- Threaten employees with job loss if they don't support the union.
- Seek the suspension, firing or punishment of an employee for not being a union member even if the employee has paid or offered to pay an allowed initiation fee and periodic fees.
- Refuse to process a grievance because an employee criticized union officials or is not a member of the union in states where union security clauses are not permitted.
- Fine employees who validly resigned from the union for engaging in protected organizing activities after their resignation or for crossing an unlawful picket line.
- Engage in picket line misconduct, like threatening, assaulting, or barring non-strikers from the employer's premises.
- Strike over issues unrelated to employment terms and conditions or coercively enmesh neutral people into a labor dispute.

#### The Unionization Movement is Here. How Will You Respond?

We encourage all nonprofit leaders to spend some time thinking about the possibility of union organizing, regardless of whether they are experiencing a unionization effort. Some questions to ponder:

- What issues surface repeatedly in employee surveys and interviews? Where do you need to invest time now to help prevent a loss of morale and camaraderie?
- How might the unionization movement impact your team and your work, even if your employees never unionize? Will it affect how you relate or collaborate with partners if they unionize? How will employment trends influenced by unionization impact your nonprofit's hiring and retention approach?

Once your team has analyzed these questions and any others you feel are relevant, we encourage you to use the answers for scenario planning. If members of your staff team approached you with a unionization request tomorrow, how would you hope to respond? If your team would prefer to voluntarily recognize a union, what supports would you need to put in place today to ensure you'd be prepared to do that when the time comes? Who would you reach out to if you faced a unionization effort? Do you know of attorneys and advisers who could give you thoughtful counsel?

Contingency planning is one of the best ways nonprofit leaders can prepare their organizations—for anything. The nonprofit unionization movement is changing the sector, and likely will continue to. Spending some time now to better understand it and consider how it might impact your organization—even tangentially—is likely to help you bolster good employee relations. At NRMC, we often tell nonprofit leaders that preparation for any disruptive event tends to prepare you for others, too. Smart contingency planning on nonprofit unionization could advance your understanding of change in the sector—and maybe even influence the way you want to change your community—or our world—for the better.

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