

**WAL★MART**

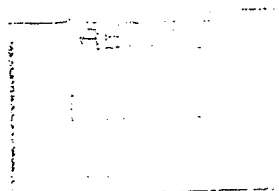
**A**

**Manager's  
Toolbox**

**To**

**Remaining  
Union Free**

**CONFIDENTIAL**



GOVERNMENT  
EXHIBIT  
GC10

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## INTRODUCTION

As a member of Wal-Mart's management team, you are our first line of defense against unionization. It is important you be ...

- constantly alert for efforts by a union to organize your associates, and
- constantly alert to any signs your associates are interested in a union.

This toolbox has been put together for you by your Labor Relations Team. Take time to familiarize yourself with the contents in this toolbox. It will provide you with valuable information on how to remain union free in the event union organizers choose your facility as their next target.

## WHEN UNION ACTIVITY OCCURS, CALL ...

### THE UNION HOTLINE 501-273-8300

Charlyn Jarrells (Corporate)	501-273-4456
Linda Tipton (Wal-Mart Stores)	501-277-1202
Matt Loveless (Supercenters)	501-277-1167
Jill Wesbecher (SAM'S Club)	501-277-7913
John Bell (Distribution/Transportation)	501-273-4252

**DO NOT GIVE THESE PHONE NUMBERS  
TO A UNION REPRESENTATIVE OR  
ANYONE OUTSIDE WAL-MARTI**

PHONE  
NUMBERS

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# WAL-MART'S PHILOSOPHY on UNIONS - PD42

Wal-Mart is strongly opposed to third-party representation. We are not anti-union; we are pro-associate.

We believe in maintaining an environment of open communication among all associates, both hourly and management.

At Wal-Mart, we respect the individual rights of our associates and encourage everyone to express his/her ideas, suggestions, comments or concerns.

Because we believe in maintaining an environment of open communication through the use of the Open Door policy, we do not believe there is a need for third-party representation. It is our position every associate can speak for him/herself without having to pay his/her hard-earned money to a union in order to be listened to and have issues resolved.

## THE OPEN DOOR

Wal-Mart's Open Door policy is our greatest barrier to union influences trying to change our corporate culture and union-free status.

As a member of Wal-Mart's management team, your responsibility is to ensure that "... any associate, at any time, at any level, in any location, may communicate verbally or in writing with any member of management up to the president, in confidence, without fear of retaliation..."

When an associate uses the Open Door policy, management has a responsibility to listen and respond. If we do not take care of our associates' needs and concerns, our associates will find someone who will. And that someone may just be a union representative!

It is important our members of management are always interested in the needs and concerns of our associates. Make time for positive management/associate relations through the use of the Open Door policy.

Open communication is the key to stopping a union organizing attempt before it ever gets started.

## MORALE

Maintaining a high morale level in a facility is crucial to remaining union free. If a union organizer approaches an associate in a facility with low morale, the associate may believe the organizer's "sales pitch." Therefore, management must constantly monitor the morale level. There are several tools available to measure morale. They are:

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- One-on-One Meetings
  - Grass Roots Surveys
  - Open Doors
  - Departmental Meetings
  - Safety
  - Exit Interviews
  - Attendance
  - Turnover Rate
  - Coachings
  - Evaluations
- 

Although this list is not all-inclusive, using these tools will help you identify areas of opportunities within the facility. The key is LISTENING to what your associates are telling you and responding to their concerns accordingly.

## REASONS WHY ASSOCIATES TURN TO UNIONS

- "Closed" Open Door
- Heavy-handed management
- Inconsistent policies
- Inconsistent direction
- Cursing, jokes in bad taste, gossiping
- Inconsistent dress code
- Lack of recognition for accomplishments (such as anniversaries)
- Late evaluations
- Being made to or asked to "work off the clock"
- Jobs filled with no prior notice of the available positions
- Derogatory remarks made by management
- Lack of respect for the individual
- Lack of training or understanding of job functions (result: feeling inadequate)
- Work schedules changed or not posted 3 weeks out
- Neglect of safety
- Favoritism
- Management not responding in a timely manner
- Unrealistic deadlines
- Understaffing
- Wage programs administered unfairly
- No sponsorship of new associates
- Sexual harassment complaints not investigated
- Wages not competitive
- Dirty restrooms or breakrooms
- Management neglecting the evening and third shifts

## HOW VULNERABLE ARE YOU? (A MORALE SURVEY)

Ask yourself the following questions to determine if your facility has low morale.

### BE HONEST

- Are associates comfortable using the Open Door policy in the facility?
- Are associates supportive of all members of management?
- Is there one manager's name that continually comes up during an Open Door discussion?
- When an associate uses the Open Door, does management look into the concern and follow up with the associate as soon as possible?
- Are there daily meetings held with associates on all shifts?
- When associates discuss concerns in daily meetings, does management answer their concerns or follow up with an answer promptly?
- Have the issues identified on the grass roots survey been addressed/corrected?
- Are company policies consistently and fairly enforced with all associates?
- Are there coachings or terminations that associates have questioned?

## MORALE SURVEY (continued)

- Is the facility following guidelines for job announcements?
- Are jobs being filled by the most qualified associates?
- Have any associates been promoted from the hourly ranks?
- If so, has the promotion been well received by the other associates, both hourly and management?
- Does the facility provide proper and adequate training for the job? (CBL or First Step)
- Does the facility have a good safety record?
- Does the facility have high absenteeism?
- Is the turnover rate in the facility high?
- Do the exit interviews show a "common reason" for associates leaving the company?
- Does the facility pay comparable wages based on the competition in the marketplace?

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If your responses to the morale survey indicate the facility may have low morale, then you could be vulnerable to a union organizing attempt. Now is the time to fix them! Address your associates' issues! Don't wait for a union to volunteer to fix the morale problems for you.

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## THE FACTS ON UNIONS

Unions are not a club, sorority, fraternity or social organization. They are a business, a big business, that needs to make money. However, unions do not make or sell products. Like any other company, they, too, must meet their expenses if they are to continue operating.

So where do they get their money? Out of the pockets of their members! A union's income is received in the form of dues, fees, fines and assessments.

Due to the decline in union membership in recent years, new members are more crucial than ever if unions are going to survive. Wal-Mart is an attractive target for unions because of the large number of associates we employ.

It is important associates understand the facts about unions. Organizers may promise associates more money, better benefits ... *anything*... to get them to sign union authorization cards. It is imperative our associates know what unions can and cannot do for them.

## UNIONS CANNOT:

- Guarantee higher wages
- Guarantee better benefits
- Guarantee employment
- Guarantee hours worked
- Prevent terminations
- Set job standards

## UNIONS CAN:

- Collect dues, fees, fines and assessments
- Negotiate
- Strike

## UNION AUTHORIZATION CARDS

A union will attempt to organize your facility in one of three ways:

1. A union organizer will approach your associates,
2. Dissatisfied associates will seek out a union organizer, or
3. A union organizer will seek employment in the facility and attempt to organize from within, also known as "salting." (See page 14.)

Regardless of which one of these three methods of organizing is used, the organizer's primary objective is to obtain associates' signatures on union authorization cards.

The law requires a union to obtain signatures on union authorization cards from a minimum of 30% of all associates in the facility before they can petition the National Labor Relations Board (NLRB) for an election.

If a union obtains more than 50% of associates' signatures on authorization cards, they may attempt to bypass an election and ask the NLRB to be recognized as the associates' bargaining agent because they have a majority of signatures.

In the event you find a union authorization card in your facility or hear associates are attending union meetings and signing authorization cards, it is imperative you contact the Union Hotline at 501-273-8300 immediately.

Wal-Mart must respond to this type of union activity immediately in an effort to stop card signing before the required 30% signatures have been obtained.

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## UNION AUTHORIZATION CARDS

Organizers will use a variety of tactics to get associates to sign union authorization cards. Associates will be told their signature on a union authorization card is only to:

- request an election
- request additional information

### THIS IS NOT TRUE!!!

By signing a union authorization card, the associate is actually signing a legal document that authorizes the union to represent the associate as his/her collective bargaining agent in all matters pertaining to his/her conditions of employment.

Let's look at a typical union authorization card.

United Food & Commercial Worker Local #7  
Affiliated with AFL-CIO-CLC  
**AUTHORIZATION FOR REPRESENTATION**

I hereby authorize the UNITED FOOD & COMMERCIAL WORKERS INTERNATIONAL UNION, Local 7, chartered by the UNITED FOOD & COMMERCIAL WORKERS INTERNATIONAL UNION, AFL-CIO, to represent me as my collective bargaining agent against my employer concerning wages, hours and other conditions of my employment.

(Print Name) \_\_\_\_\_ (Date) \_\_\_\_\_

(Signature) \_\_\_\_\_ (Home Phone) \_\_\_\_\_

(Home Address) \_\_\_\_\_ (City) (State) (Zip) \_\_\_\_\_

(Hire Date) \_\_\_\_\_ (Type Work Performed) \_\_\_\_\_ (Department) \_\_\_\_\_

DAY \_\_\_\_\_ Night \_\_\_\_\_ Full \_\_\_\_\_ Part \_\_\_\_\_  
Shift \_\_\_\_\_ Time \_\_\_\_\_ Term \_\_\_\_\_

(Hourly Rate) (Day Off) \_\_\_\_\_

Would you like to participate in an organizing committee? Yes \_\_\_\_\_ No \_\_\_\_\_

Note the card says nothing about an election or obtaining additional information about the union. Point this out to your associates.

AUTHORIZATION CARDS

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