



Frequently Asked Questions Regarding Reductions in Force

Does the union agree to all of the changes the company is making?

- The union agrees that the company has been on the wrong course in the last several years, and that there are too many layers of management and too much bureaucracy.
- The union disagrees with some of the changes, especially those that are contract violations or where the changes will gut staffing in departments. We will file grievances and follow other dispute procedures to address contract violations and safety issues. See below.

What's the difference between reductions and layoffs?

- Reductions in force and department reorganizations may result in employees no longer keeping their current jobs. They will still be employed but might be asked to work elsewhere.
- Layoffs result in the loss of employment. In 2018 negotiations, the Unions were successful in securing language that ensures our members will not be laid off through the end of 2019. You can see the signed agreement here: <http://ufcw7.org/files/2018/12/Side-Letter-re-No-Layoffs-No-Benefit-Changes-NEO.pdf>

Does the company intend to honor its commitment to not lay Local 7 members off?

- We have reviewed the no-layoff language with company representatives, and they have acknowledged and expressed their intent to follow this language.
- Furthermore, we have the employment and income security agreement, which puts some additional obligations on KP. The agreement can be found here: <https://www.lmpartnership.org/employment-income-security-agreement>

What rights do I have if I am an affected employee under the contract and other labor agreements?

- Employees in affected departments *may* volunteer by seniority to leave the department and bid on open positions;
- Employees in seniority order *may* choose to take severance as outlined in the contract to achieve the prescribed reductions (further details in a different section below);

- If no senior employees wish to take above options, the least senior employee in the affected department may select from open positions in the region to be placed in those positions; these employees have super-seniority for one year;
- If no senior employees wish to take above options, the least senior employee in the affected department may bump the least senior employee in the facility; if no less senior employees in the building exist the employee may bump the least senior employee in the region. The employee CANNOT simply bump a less senior employee of their choosing.
- We are working with the company to map out the specific process for affected employees in affected departments.
- We will probably not have more specific information until we speak directly to your department.

What if there are no open positions for affected staff to go into?

- We do not have specific information for each affected group at this time.
- The company is required to keep you employed under our agreements through 2019 and potentially longer.

How do you know if you are an affected employee?

- The company will likely send out notification letters to affected employees in the next month or so.

Do reductions happen by seniority?

- Reductions in force generally affect the least senior employees in the affected departments. See above.
- Reductions are not determined based on the ‘performance’ of employees.

What’s the timeline for all of these changes?

- The timelines vary a bit depending on the departments.
- The company is generally required to provide 60-day notice to the union, and then the company is required to provide an additional 60-day notice to affected employees. The Union and the company may not agree on the timelines at this point.
- More specific information will be provided to you once we know.

How does super-seniority work?

- Super-seniority refers to the preferential bidding rights of employees that are affected by reductions in force including reorganizations.

- Employees maintain super-seniority from the time they are removed from the current role for a period of one year.

Are the parties considering severance or early retirement options?

- The union has advanced our interest that we would like our members to be offered the opportunity to take an enhanced severance from what is in the union contract, and even beyond the affected departments.
- The union contract states that staff in affected departments may leave KP employment and receive a severance, equaling one week of pay and healthcare benefits for every year of service, to a maximum of 26 weeks.
- Severance is generally considered as an alternate to displacement (bumping) and/or requiring employees to bid out to achieve the prescribed reductions.
- This would potentially free up positions for others who are affected by reorganizations and reductions in force.
- Management has not yet agreed to this, but we will let you know if we reach agreement.

Can we guarantee that employees will maintain their FTE if an employee is being moved?

- We cannot guarantee you will retain your current FTE if you are moved out of your current role.
- We advocate for staff to maintain their current FTE when they transition into a new role.
- Sometimes the parties reach agreement on this, other times not.

What should I do if I think the reductions create a contract violation or patient or worker safety issue?

- If you believe the changes will result in a ***patient or worker safety issue*** or will result in the degradation of the quality of care, you will want to report that issue through Safety Connect and to your management group. You may also provide the Union with details on this as well, so long as you do not provide protected health information.
- If you believe the reduction creates a contract violation, like shifting work from Local 7 members to those not covered by Local 7, you will want to report that issue to Nate Bernstein, nbernstein@ufcw7.com.