

BEATING GLOBAL CAPITAL:
A Framework and Method for Union Strategic
Corporate Research and Campaignsⁱ

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As unions around the globe struggle to survive in the face of the globalization of firms combined with unprecedented employer opposition to unions, it is clear that new approaches, strategies, and tactics are imperative. The ways of organizing and bargaining forged during the 1950s and 1960s in many industrialized nations – approaches that often relied heavily on the law and administrative proceduralism – have been deeply challenged as workers now find themselves on a world stage employed by global firms. If labor has any hope of remaining a source of power for working people on the job and in their communities, it must find a way to pick up the gauntlet thrown down by global capital in this new environment.

One of the fundamental ways that the labor movement is rising to this challenge is through strategic corporate research and the development of comprehensive strategic campaigns in both organizing and collective bargaining. Sometimes referred to as simply strategic or coordinated campaigns, or by the older nomenclature of corporate campaigns, this approach recognizes that to be successful, unions need to gain a comprehensive understanding of the firm and the industry in which it is situated. Only as a product of this kind of research and analysis can unions then design the appropriate strategies and tactics to be successful, taking into account both how power flows through the firm and how vulnerabilities can be exploited. The comprehensive strategic campaigns that result go far beyond traditional organizing and bargaining and develop creative and complex processes that pressure firms in a multitude of ways.

Unions in the United States, in particular, took a frontal attack by global employers; over the last three decades they have watched as entire industries were moved offshore and outsourced and an industrial relations system gutted. Over a decade of experimentation, U.S. unions began developing a capacity for strategic research and comprehensive campaigns to gain traction against the emerging global giants. Indeed, it is difficult to identify a major union victory during the past decade in the U.S. that did not in some significant way employ strategic research and a comprehensive campaign. Ranging from the Service Employees International Union (SEIU)'s successful Justice for Janitors campaign in Los Angeles (Waldinger et al. 1998) to the International Brotherhood of Teamsters' victory at UPS (Witt and Wilson 1998) and the victory at Bridgestone/Firestone by the Steelworkers (Juravich and Bronfenbrenner 2003), unions in the United States have shown how they can win, and win big, using these approaches.

Workers and their unions in the United States were not the only ones to feel the ravages of globalization, however, and these types of comprehensive campaigns are relevant responses not just for U.S.-based unions. In fact, in many ways workers in the Global South have always been on the front lines in the struggles against global firms. Rooted in the legacy of colonialism, early transnational enterprises continued this oppression, spawning campaigns for workers' rights in the banana industry in the 1950s in Central America (Frundt 2007) and for women textile workers in the "peace market" in Korea in the 1970s (Soonok 2003) and leading to the more recent struggles by Bolivian citizens to reclaim their water system (Schultz 2005).

The situation in Western Europe has historically been quite different. While their specific industrial relations systems differ, many countries provide institutional voice for unions on works councils or similar structures, provisions shored up in European Union (EU) law. Historically, this has meant that labor-management relations have been considerably less adversarial than those in the United States. Trade union practice in the EU, however, may be changing. While unions had national-based institutions in place, the question is how they dovetail with larger EU structures (Hyman 2005). Thus it remains to be seen how well traditional structures, now in flux as a result of EU integration, will constrain the behavior of global capital in Europe. It is in this context that European unionists are exploring the possibilities of strategic research and comprehensive campaigns.

Despite these successful campaigns and the growing reliance by unions in the United States and around the world on these methods, there is a surprising lack of information on conducting strategic research and its use in the development of strategic campaigns. What is lacking is an overall research framework or primer for conducting strategic corporate research and applying it to strategic campaigns.

This chapter aims to fill this gap by providing a basic framework for conducting strategic corporate research, as well as describing how this research can be applied to the development of comprehensive campaigns in organizing and bargaining. The model is designed to be applicable to a wide variety of employers and can be used by trade unionists and their allies in a number of different countries and industries. I have also built an accompanying website <http://strategiccorporateresearch.org> that provides a detailed method for conducting strategic corporate research as well as links to sources of information on a variety of firms in the U.S and Canada, with other countries soon to be added to the site.

A Model for Strategic Corporate Research

Strategic corporate research is not just random information gathering on employers. This is not just research for its own sake but research directed both at understanding how power flows in firms and at identifying vulnerabilities and potential points of

leverage. Second, strategic corporate research is not simply about "digging up dirt" on employers to use in more traditional bargaining and organizing campaigns. Gathering dirt to use in old-style campaigns has little chance for success against today's global giants. Strategic research needs to be the first step in developing the kinds of multifaceted strategic campaigns that are necessary to win today.

In reviewing the small literature on conducting corporate research, the only common analytical tool is what has been called a power analysis or web analysis. It typically involves brainstorming any and all connections a firm might have to board members, customers, community groups, and the like. While it is a good technique for initial thinking about a corporation, this kind of power analysis has a number of limitations. Primarily because it starts with a blank page each time, it does not build on what strategic corporate researchers have already learned about firms and it is easy that key elements are left out. For although each employer has a unique structure and environment, there are elements one will always want to investigate.

With these deficiencies in mind, figure 1, provides a basic model for strategic corporate research.ⁱⁱ It begins by first distinguishing what is inside and outside the target employer. It also distinguishes among three different levels of operation in the firm: command and control, operational and outside stake-holders. Finally, rather than just providing a blank slate, the chart details an exhaustive list of the basic areas for strategic corporate research. Figure 1 contains twenty-four boxes representing twenty-four areas that should be explored regardless of the particulars of the target company. For any specific firm, information for all twenty-four may not be available or relevant, but the listing provides an important baseline and a series of checks and balances to ensure a comprehensive corporate profile. Our accompanying website <http://strategiccorporateresearch.org/> provides specific research questions for each of as well as a comprehensive listing of Internet sites where the information can be obtained.

Note that the boxes are also numbered, suggesting an order for conducting research, which is especially helpful for first-time researchers. I have watched beginners start researching safety and health or environmental issues using the older power-analysis models before they really understand what a firm makes or its history or strategies. For first time researchers it makes sense to work through the research sequentially.

Basic information (box 1) includes whether the firm is privately held, publicly held, or nonprofit. This is crucial, as the primary sources of information are very different for these different types of firms. Equally important are the kinds of products or services the company makes or provides (box 2). While we may know a firm because of a certain high-profile product it makes, this may end up being a small part, or an unprofitable part, of the business. Here it is important to gather as much information as possible about various business segments and both the income and profit generated by each segment. For example, during the Offshore Mariners' United Union (OMU) campaign at

TRICO Marine, although the union was organizing workers in the Gulf Coast, researchers discovered that the company's most profitable business segment was in the North Sea, and the campaign was shifted to pressure the firm there (War on Want 2006).

As suggested by box 3, it is essential to develop a comprehensive list of company facilities. Again, we may be most familiar with one facility or a certain subset of facilities, but it is fundamental to map out all the facilities. Are they owned? Leased? How old are they? Facilities built with industrial development bonds or other public monies provide opportunities to broaden a dispute and bring it into the public sphere.

In addition to inventorying facilities, we need to gather information on the workforce (box 4). This includes how many workers are unionized, their demographics, and whether they are full or part-time. For global firms, where is the workforce located and what kinds of opportunities does it provide and what kinds of linkages can be made? For example, during the Communications Workers of America (CWA) 1989 campaign with Nortel, research revealed that Nortel had a number of Canadian facilities, and because these were heavily unionized, they were instrumental in CWA's success (Cohen and Early 2000).

As suggested by box 5, we also need to gather some basic financial information. You need not have advanced accounting skills here. A working knowledge of the income statement and balance sheet, along with using the key financial ratios used by the analyst community, will both provide a baseline and suggest questions for further research.

It is also important to understand both the company history (box 6) and its strategy (box 7). In developing a strategic campaign, it is crucial to know where a company is heading because intervening here cuts to the heart of the firm's operations, as well as its promises to shareholders and investors. For example, in the global campaign to organize workers at Coca-Cola, the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations (IUF), which has been coordinating the effort, is well aware of Coca-Cola's strategy to move into emerging markets and has exploited this during its campaign (Garver et al. 2006). Sometimes this strategy is clearly articulated in company documents, while in other cases it must be gleaned from press releases, quarterly conference calls, or other materials.

It goes without saying that we need to have a thorough understanding of management (box 8). Do they serve on other boards? Are they involved in philanthropic activities? Do they have associations with governmental bodies? Knowing as much as possible about the CEO is important, yet there may be other top managers who may be both powerful and vulnerable.

Finishing up the information about the target employer is information on stockholders/investors (box 9) and the board of directors (box 10). Note that they straddle the line, since to some extent they are in the firm, yet they are also outsiders. For publicly held firms in the United States in Canada, stockholder information is readily available, and it is important to identify the largest shareholders. While major stockholders are often mutual fund and financial institutions, the unexpected does happen. For example, researchers looking at Republic Services, a major trash firm, as part of a Teamsters campaign were surprised to discover that one of the major stockholders was the Bill and Melinda Gates Foundation. Special attention should be given to retirement funds that hold stock, especially those connected to unions, as they may provide important leverage.

Unions have also become increasingly involved in shareholder actions. In the United Mine Workers of America (UMWA) battle against Peabody Coal they were able to get 230 million shares to vote against an important resolution by Lord Hanson of Hanson PLC, a British firm that controlled Peabody (Zinn 2000). An international shareholder campaign was brought against Rio Tinto in 2000, led by the Trades Union Congress (TUC) in the United Kingdom, the International Federation of Chemical, Energy, Mine and General Workers' Union (ICEM), the Australian Congress of Trade Unions (ACTU), and the AFL-CIO .

Finally, we know from the early work of Ray Rogers at J. P Stevens (Minchin 2005) that the other corporate identities of the directors may provide leverage against the board, as may their participation in civic and political activities. It is important to examine the profiles of board members carefully, yet, as we can see from figure I, this is only one of twenty-four possible areas of leverage.

Outside the firm there are still two important areas at the command and control level. Lenders, in box 11, although outside the firm, may have a very strong influence on its direction. Particularly in the case of leveraged buyouts, or where the company is highly indebted, lenders may play a stronger role in the firm than upper management does. For example, one of the components of the Steelworkers campaign against Ravenswood Aluminum was pressure on the NMB Postbank in the Netherlands, one of the firm's major lenders (Juravich and Bronfenbrenner 1999).

Similarly, it is important to determine whether there is a larger parent company (box 12) or, in some cases, a series of parent companies and the role that the immediate and/or ultimate parent company plays in company operations, decision making, and control. In some instances the parent plays little or no role; in others the parent may actually place a majority of individuals on the board. In the same way, it is important to identify any subsidiaries (box 13) and their relationships to the target company. For publicly held companies, finding the parent company or subsidiaries

is fairly straightforward. For private companies, however, this can be an extremely challenging task, where the individual or company holding controlling interest in the firm may have gone to great lengths to keep its connection to the company hidden.

Once we have this basic working knowledge of the firm and what is happening at the command and control level, gaining a larger understanding of the industry (box 14) and the major competitors (box 15) is crucial. Companies do not exist as islands; they rise and fall with industry trends. Here industry publications can be very helpful. In addition to understanding the industry as a whole, it is important to first identify the major competitors that define the competitive context in which the firm operates. While time and resources may not allow for a complete corporate profile on competitors, it is important to gather as much comparative information as possible.

The operational level of a firm can provide numerous opportunities for leverage. On the input side, it is important to identify suppliers of goods or services (box 16). Is there only one? Are there many? Is there more than one source for the same supplies? Following the supply chain has been instrumental in the work of United Students against Sweatshops (USAS), who discovered that the high-priced collegiate logo clothing they were buying was typically produced in sweatshop conditions in the Global South. They not only forced a number of universities to sign codes of conduct and designated supplier agreements, but in campaigns such as the struggles against Kudong in Mexico, also played a role in jump-starting organizing at the source facility (Hermanson 2004).

At the same time, how those goods or services are transported (box 17) and the utilities (box 18) used may provide important sources of leverage. On the output side, identifying customers (box 19) is vital. Are there only a few customers, or is the product or service available to the general public? While general consumer boycotts are difficult to build and sustain, in many situations firms supply a limited number of industrial consumers, making end-user campaigns very feasible. For example, during the struggle of the workers at the Gina Form Bra Company in Thailand, they were able to identify The Limited and Victoria's Secret as the major customers, and pressure on these firms was an important part of their campaign (Robertson and Plaiyoowong 2004).

It should also be noted here that information at the operational level is the most difficult to find online. However, this is precisely the kind of information that rank-and-file workers often know, particularly those working in the shipping and receiving department, and obtaining this operational information provides an excellent opportunity to involve rank-and-file members in the research process.

Finally, there is important information to be gathered about outside stakeholders. First we look at stakeholders who are part of the regulatory framework. Researching safety and health (box 20) is always crucial in building a strategic campaign. In the United States, general information can be gathered on the Occupational Safety and Health Administration (OSHA) website, while more specific details are available from the OSHA

200 logs that employers are required to keep. One major component of the comprehensive campaign at Bridgestone/Firestone was a massive safety and health campaign, focusing on the deterioration of working conditions in the plants (Bronfenbrenner and Juravich 2001).

It is also important to gather information on the environmental (box 21) or possible environmental impact of the operation of the target firm. Environmental issues can be incredibly powerful in developing a critique of the company and in building community campaigns. An environmental campaign was central in efforts by the U.S. Paper, Allied-Industrial, Chemical and Energy Workers Union (PACE) in the battle with Crown Petroleum, once researchers had discovered that emissions from the plants increased significantly after the lockout began (Hickey 2004).

Depending on the industry and its location, there can be other regulatory or legal agencies (box 22) that have jurisdiction over the target firm. For example, a nuclear power plant is governed by the Nuclear Regulatory Commission (NRC), while health care in many states is governed by state-based boards. Here it is also important to investigate any pending litigation against the firm. While suits about falling in the parking lot may be routine, a discovery of racial discrimination claims or price fixing could be crucial in building a comprehensive campaign.

Researching community issues (box 23) is also a crucial means of discovering what kinds of leverage can be developed at the stakeholder level. These community issues include not only the official community relations of the company but also how community members view the firm and its operations. Not to be ignored here are community connections the union and rank-and-file members have made locally, nationally, and internationally. The local community campaign that organized families, shopkeepers, and the wives of strikers in the "daughters of Mother Jones" was pivotal during the Pittston strike by the UMWA (Brisbin2002). But in this struggle, as in so many others, these were not simply connections the union made with the local community but made with the larger labor community around the world as well. Some of these may be institutional connections, such as employees of the same firm or members of a company or industry council. During the struggle by U.S. miners against Peabody Coal, miners in both Australia and Colombia struck in support of their brothers and sisters in the United States (Zinn 2002). As globalization continues, the creation of global labor communities will be fundamental in winning against global capital.

Finally we need to examine the political connections (box 24) of the firm. Does the firm, its management, or its board donate regularly to the political process? To which political party or leader? Do they play at the local, regional, state, or federal level? Particularly when connected to other issues, this may be an important way of leveraging firms. Unions around the globe often have very different relationships to the political process, and international bodies can also play significant roles in campaigns. In the campaign by Jakalanka workers in Sri Lanka, petitions were filled with both the EU and the United

States under the generalized system of preferences. As Gunawardana suggests (2007), it was the threat of trade talks that had a powerful impact on management at Jaka-lanka. We must be careful here not to overly rely on political processes alone, yet they can be incredibly powerful as part of a larger strategic campaign.

From Research to Campaigns

While it is important to be comprehensive in the collection of information about the target company, it is often easy at the end of the process to get lost in the details and not see the forest for the trees. It is sometimes not possible to gather information to fill all twenty-four boxes, and obviously some of the information gathered will not be pertinent or useful in building a campaign. Figure 2 is a blank research chart, which researchers have used successfully to summarize the key findings at each of the three levels. This begins the process of summarization and assists in the move toward developing a campaign.

However, moving to a campaign is not just about summarizing information-it requires reconceptualizing it. Figure 3 provides a method to create a strategic corporate summary and begin to shape the contours of a strategic campaign. It focuses on four key concepts-profit centers, the growth plan, decision makers, and key relationships.ⁱⁱⁱ

First, from our research we need to be able to identify the profit center of the firm. This is where a company makes its money and where it is most vulnerable. Several years ago, UNITE was organizing a Brylane distribution center that handled Lane Bryant stores, among others. Their research, however, indicated that this clothing distribution was not a major source of revenue for the firm but that major profits were made at its Gucci division. So, rather than focusing its energies on Lane Bryant facilities UNITE organized activities in a small number of Gucci stores that brought the company to the table (Clean Clothes Campaign 2002).

In addition to the profit centers, it is crucial to understand the firm's growth plan. Growth is where companies put their energy, and it is often their growth plans that they use to generate investor and stockholder confidence. While in some cases these growth areas may constitute only a very small portion of corporate activity, they are places where firms are very vulnerable. Intervening in a firm's growth plans has become a hallmark of the new organization of hotel workers, now UNITE HERE. They discovered that because of all of the regulatory, legal, and governmental aspects of building a major hotel, they have the most power to intervene before and during the construction process rather than once the facility is built. This is true even with major hotel chains, which are vulnerable in their growth plans.

Third, we need to identify the decision makers in the company-those who are deciding how to keep the profit centers strong and in which areas to grow. In the Ravenswood

Aluminum lockout, for example, rank-and-file workers were convinced that local CEO Emmett Boyle was the main decision maker of the firm, and they spent tremendous energy putting direct pressure on him. When the Steelworkers broadened the campaign, they discovered through their research that Boyle was little more than a puppet and that the firm was controlled by Switzerland-based financier Marc Rich. Given the complexity of global firms, parent companies and subsidiaries, and the role of lenders and stockholders, it is extremely important to look beyond the company CEO.

Finally, in this process of developing a strategic corporate summary it is necessary to identify the key relationships that the firm needs to maintain its growth plan and profit center. These could range from relationships with key suppliers or customers to those with key lenders, board members, or regulatory organizations. This widens Ray Rogers's initial insight about pressuring board members and identifies a larger set of relationships that could be used in a strategic campaign. For example, during the Crown Petroleum Lockout, the company had developed a joint operating agreement with Statoli, a Norwegian state-owned oil company. This was a key relationship that the company needed to maintain to remain profitable, and consequently it became a major focus of the union's campaign (Hickey 2004).

Figures 4 and 5 use these four concepts to contrast a traditional bargaining campaign with a more comprehensive or strategic bargaining campaign. In a traditional bargaining campaign, as we can see from figure 4, the major activity of the union is on direct decision makers, either through the bargaining process or by picketing if in fact talks break down. In terms of the operations of the firm, there may be some effort to work-to-rule while the contract is in effect, but once the union strikes or is locked out, the union will work to keep scabs out or perhaps launch a boycott of products or services. As we can see from figure 5, a strategic comprehensive campaign looks very different and represents a much more sophisticated and nuanced way of leveraging firms. It begins by conceptualizing decision makers more broadly, as in-depth research allows unions to extend their focus beyond direct decision makers to those that might be located either inside or outside the company. As is also clear from figure 5, by identifying key relationships, strategic campaigns add an additional level between decision makers and the operations of the firm. This level provides an entirely new area where unions can exert pressure indirectly on the company.

Finally, as we can see from the bottom of figure 5, one of the important advances of strategic campaigns is that they do not make a generalized effort to pressure the entire operation of a firm. While this tactic may have made sense in relatively small, locally based firms, it is a very blunt instrument, particularly with large global firms. Instead, based on detailed research, comprehensive Strategic campaigns aim to pinpoint their pressure on profit centers and/or on the areas where the company is growing.

The four strategic concepts-profit center, growth plan, decision makers, and key relationships-can also be applied directly to a strategic campaign itself and serve as part

of the campaign planning process. Figure 6 is a calendar that uses these core concepts to plan out a campaign over a number of months. The idea here is that actions in each of the four core areas should escalate each month as the campaign builds. Note that an additional category referring to workers/union has been included in the campaign calendar. Although workers should be involved in every aspect of the campaign, it is also important to specify worker/union issues in each monthly cycle.

Conclusions

As globalization continues, unions will need to broaden their use of strategic research and strategic campaigns if they hope to remain a viable institution for workers in their struggle for justice and dignity. While unions in the United States and around the world have demonstrated the power of these campaigns, they are still infrequently used, with labor too often remaining mired in earlier methods for organizing and bargaining that stand little chance of success.

To succeed, the labor movement worldwide will need to ramp up its capacity for strategic research and comprehensive strategic campaigns. Strategic research and campaigns should not just be the purview of a small cadre of researchers and campaigners; rather, efforts should be made to train and mentor a whole new generation of researchers and campaigners at all levels of the labor movement around the globe.

For strategic research and comprehensive campaigns to begin to reach their potential they must become more than just defensive actions when unions have their backs to the wall against major employers. Instead, they need to become integral to organizing and bargaining campaigns at all levels of the labor movement, with employers both large and small. Rather than being seen as special tools used only occasionally, strategic research and comprehensive campaigns need to become part of day-to-day practice if labor is to have any hope of winning against global firms.

ⁱ This chapter is an abridged and updated version of: Juravich, Tom “Beating Global Capital: A Framework and Method for Union Strategic Corporate Research and Campaigns,” in Kate Bronfenbrenner (ed.) Global Unions: Challenging Global Capital Through Cross-Border Campaigns. Ithaca, NY: Cornell University Press, 2007.

ⁱⁱ Figure 1 and the text that follows looks at publically traded firms. Charts and research model for privately held firms and nonprofits are available at <http://strategiccorporateresearch.org/>

ⁱⁱⁱ This framework was originally developed by Keith Mestrich.