

Ramada Inns, Inc. d/b/a Ramada Beverly Hills and Hotel Employees and Restaurant Employees Union, Local 11, AFL-CIO, Petitioner. Cases 31-RC-5631 and 31-RC-5650

25 February 1986

DECISION ON REVIEW, ORDER, AND DIRECTION OF SECOND ELECTION

BY CHAIRMAN DOTSON AND MEMBERS DENNIS AND JOHANSEN

On 27 March 1984 the Regional Director for Region 31 issued a Decision and Direction of Election in two petitioned-for units composed of: (1) the hotel services unit including all full-time and regular part-time maids, laundry workers, housemen, janitors, and maintenance employees; and (2) the food and beverage unit including all full-time and regular part-time cooks, kitchen utility persons, waiters, waitresses, bus persons, room service waiters and waitresses, restaurant cashiers, maitre d' employees, and bartenders.¹ The Regional Director rejected the Employer's contention that the only appropriate unit was an overall unit excluding office clericals, accounting clerks, sales department employees, guards, and supervisors.

The Employer timely filed a request for review. An election in the units found appropriate was conducted 26 April 1984, and the ballots were impounded. By telegraphic order dated 27 April 1984 the Board granted the Employer's request for review.² The Employer and the Petitioner filed briefs.

The National Labor Relations Board has delegated its authority in this proceeding to a three-member panel.

The Board has considered the entire record in this case with respect to the issues under review, and concludes that the Regional Director erred in finding appropriate the two petitioned-for units.

The Employer operates a 12-floor, 260-room hotel that includes a restaurant, a lounge, banquet facilities, and a pool. More than 100 employees work in the hotel under the overall supervision of the general manager. The Employer employs persons in the customary classifications found in the lodging and food and beverage industry. These include the following: maids, housemen, laundry employees, maintenance employees, bellmen, front desk clerks, PBX operators, dining room and room

service waiters and waitresses, cashiers, bartenders, cocktail waitresses, cooks, and dishwashers.

In his Decision and Direction the Regional Director noted that on 23 October 1981³ a Decision and Direction of Election was issued involving the same parties. There the Regional Director found three units appropriate. The three units were the two petitioned for in the instant case and a front desk unit that included all full-time and regular part-time front desk clerks and cashiers, switchboard operators, night auditor, and reservation manager, and excluding office clericals, confidential employees, guards, and supervisors.⁴

Relying on the foregoing, the Regional Director found that the issue before him was "whether the evidence establishes that the units previously found appropriate by the Board and currently sought by the Petitioner have, due to any changed circumstances, now become inappropriate." The Regional Director found that the Employer's operation "has essentially remained unchanged" since the 1981 proceeding and further held that the two petitioned-for units were appropriate. We disagree.

Our review of the record reveals that the Employer's operations have undergone significant changes since 1981, which have resulted in a substantial centralization of the administration and operation of the hotel. Thus, the Employer now employs a general manager who has overall responsibility for the hotel's administration including the implementation and administration of a centralized labor relations policy. The general manager possesses final authority to approve all hirings and firings,⁵ acts as the Employer's final in-house grievance representative,⁶ and sits on the Employer's executive committee.

The executive committee is composed of the seven department heads and the general manager. While an executive committee existed in 1981, it was made up of between 25 and 30 persons. The current executive committee meets weekly to discuss procedures, benefits, and promotions. The executive committee effectively sets hotel policy. It also runs monthly general staff meetings which all

³ The 23 October 1981 Decision and Direction was amended on 3 November 1981

⁴ Both the Employer and the Petitioner requested review of the 1981 Decision and Direction. The Board granted review on 20 November 1981 limited to the unit placement of bell persons and an issue unrelated to the instant case. The Board ruled that the bell persons should be allowed to cast challenged ballots in two of the three units.

⁵ Previously, each department head exercised final authority on such matters.

⁶ Since 1981 the Employer has instituted a formal grievance procedure. Employee grievances are filed initially with the employee's immediate supervisor. Failing resolution, step two entails a meeting of the grievant, his or her immediate supervisor, and the personnel manager with the general manager. If there is no resolution at step two, the grievance is forwarded to the Employer's home office in Phoenix, Arizona.

¹ Excluded from both units were front desk employees, accounting and sales department employees, office clerical employees, confidential employees, guards, and supervisors as defined in the Act.

² The Employer has requested oral argument. The request is denied as the record and briefs adequately present the issues and the positions of the parties.

employees attend. The general staff meetings deal with hotel-wide problems and policies.

The seven department heads who sit on the executive committee also participate in the "Manager on Duty" program. Pursuant to that program, each department head fulfills the function of the general manager during "off hours" on a rotating schedule three to four times each month. When acting as the manager on duty, that individual exercises supervisory authority over employees in all departments.

Finally in this regard, the Employer utilizes a centralized personnel department. That department handles recruitment, training, recordkeeping, and the administration of personnel policies and benefits on a hotel-wide basis. These hotel-wide personnel policies include a new policy regarding job vacancies whereby openings for hotel-wide positions are posted and all employees are encouraged to apply. All employees also have common fringe benefits including vacation pay, group insurance policies, holidays, paid leave, funeral pay, sick pay, jury duty pay, and profit sharing. All employees have the same probationary period, pay periods, and parking privileges. There is also a common credit union, a uniform payroll, and employees all use one of two timeclocks.

Based on the foregoing, we conclude that the Employer's operation is substantially more centralized in its administration, particularly in personnel and labor relations matters, than it was in 1981. Accordingly, we find that the Regional Director erred in finding that the operation "essentially remained unchanged" since 1981. Unlike the Regional Director, therefore, we do not place reliance on the 1981 determination that three separate units would be appropriate.⁷

In *Atlanta Hilton & Towers*, 273 NLRB 87 (1984), modified on other grounds 275 NLRB 1413 (1985), the Board found appropriate an overall unit of hotel employees. The Board's finding was predicated on the following factors:

. . . the highly integrated functions and mutual interests of the [Employer's] employees, the common pay rates and fringe benefits shared by all employees, the centralized control of the Employer's day-to-day operations, the centralized formulation of personnel policies, the daily work contacts of employees in different departments, and the transfers of employees between departments

⁷ The Employer argues that the 1981 unit determination cannot be relied on by the Petitioner because the appropriateness of the three units was not passed on specifically by the Board on review. Because we have found a substantial change in circumstances, we need not address that argument.

273 NLRB 91. In our view, a similar result is required here.

The Employer, like most hotel operations, runs a functionally integrated enterprise whose purpose is to provide lodging, dining, and related services to its guests and patrons. Thus, while the employees perform a variety of duties, their common objective is to provide a highly integrated group of services, directly and indirectly, for the hotel's guests. We have already detailed the common pay rates and fringe benefits that all the Employer's employees share as well as the centralized control of the day-to-day operations and the centralized formation of personnel practices. Thus, the general manager effectively runs the operation. He is the ultimate authority on personnel decisions and, as reflected in the grievance procedure, is the final in-house interpreter of management's personnel policies. Along with the general manager, there is the executive board which is composed of the department heads. That Board sets policy for the hotel and all of its employees. The collegial nature of the executive board, as reflected by the manager on duty program, also militates against a finding that the Employer's operation can be compartmentalized into separate, autonomous units.

The Employer's high degree of functional integration and centralized policymaking is also reflected in the substantial overlap of employee job functions and frequent employee contact. Thus, housekeeping employees clean the lobby, front desk, and restaurant areas in addition to the guestrooms. The kitchen area is also cleaned by housekeeping employees. The maids and housemen have repeated daily contact with front desk employees concerning room occupancy and availability. Both front desk and housekeeping employees utilize a housekeeping report. Housekeeping and laundry employees deliver and stack linen in the kitchen on a daily basis.

Maintenance employees work throughout the hotel in conjunction with virtually all other employee groups. A maintenance log and keys are kept at the front desk. Another maintenance log, for repairs in the food and beverage areas, is kept at the dining room cashier's stand. Maintenance employees keep the banquet room in order and set up electrical equipment while servicing other mechanical needs.

Room service, dining room, and cocktail waiters and waitresses work throughout the hotel. In addition to dining area services, they serve guests in their rooms, at the pool, in the banquet area, and throughout the hotel. Bell persons often assist in these functions as do housekeeping employees.

Restaurant and lounge cashiers consult frequently with front desk employees to determine whether a guest has an account or is paying cash. The cashiers' reports are compiled jointly by the cashiers, lounge employees, and front desk employees. Cash drops are made at the front desk twice daily.

Bell persons, as noted, assist food and beverage employees. They also assist the front desk employees and share a common supervisor. Bell persons often assist housekeeping employees as well.

The front desk employees, in many respects, constitute the "hub" of the operation. These employees have repeated daily contact with virtually all other hotel employees, including maintenance, housekeeping, food and beverage, and bell person employees. In short, although each employee group has a primary function, the employees in those groups assist each other, work in close and repeated contact, and generally act toward the common goal of providing guest and patron services.

Based on the foregoing, we find that the criteria that resulted in an overall unit finding in *Atlanta Hilton*, supra, are present here.⁸ In our view, it is

⁸ Although there is little evidence of employee transfers from one classification to another, we note the Employer's recently instituted policy of posting all vacancies and encouraging all employees to apply. In any event, this factor is somewhat mitigated by the high degree of functional integration and job overlap.

simply inappropriate to carve out individual units without regard to the extensive functional integration and confluence of employee concerns that is present here.

As the unit found appropriate is broader than the units in which the election was conducted, we shall order that the election conducted on 26 April 1984 be vacated and shall direct an election⁹ in the unit found appropriate herein, as described below.

All employees of the Employer at its Beverly Hills, California facility excluding office clerical employees, confidential employees, guards and supervisors as defined in the Act.

ORDER

The election conducted on 26 April 1984 is vacated.

[Direction of Second Election omitted from publication.]

⁹ The Petitioner stated at the hearing that it was willing to participate in an election in a unit or units broader than those which it sought. As the unit found appropriate herein is larger than those sought by the Petitioner, the Regional Director is instructed not to proceed with the election until he determines that the Petitioner has made an adequate showing of interest among the employees in the appropriate unit who are eligible to vote in the election. The Petitioner is accorded a period of 10 days in which to submit the requisite showing of interest to support the election. In the event the Petitioner does not wish to proceed to an election for such a unit, we shall permit it to withdraw its petition upon notice to the Regional Director within 10 days from the date of issuance of this decision and shall thereupon vacate the Direction of Election.