Labor relations and strategic human resources management from the point of view of companies and unions

Relações de trabalho e gestão estratégica de recursos humanos sob o ponto de vista de empresas e sindicatos

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Abstract
This research identifies and analyzes labor relations and strategic human resources management (SHRM) in corporate catering services companies in the state of São Paulo and the unions representing their employees. The human resources (HR) departments manage employees’ activities while labor relations play a moderating role in regard to HR management, involving external factors such as the intervention of agents – the state and unions, for instance – and labor legislation. The study recognizes these agents as external factors that play a role in moderating HR management. This qualitative, descriptive, and exploratory research revealed that the workforce of corporate catering services companies is primarily female, has low education levels, and operates in a high turnover environment. The companies’ HR management has characteristics of SHRM, and labor relations are conducted considering a high rate of union membership and good interaction between unions and workers.

Keywords: people management, human resources, labor relations.

Resumo
O objetivo desta pesquisa foi identificar e analisar as relações de trabalho (RT) e a gestão estratégica de recursos humanos (GERH) nas empresas de restaurantes de refeições coletivas no estado de São Paulo e seus respectivos sindicatos. A atividade dos profissionais de uma organização é gerida pela área de RH e as relações de trabalho, bem como suas legislações e intervenções dos seus agentes, como o Estado e as instituições sindicais, são fatores externos advindos da sociedade que exercem um papel de moderação à gestão de RH. O estudo realizado foi quantitativo, descritivo e exploratório. Os resultados da pesquisa demonstraram que as empresas de refeições coletivas se apresentam com uma mão de obra majoritariamente feminina, baixa escolaridade e duração de vínculos empregatícios curta. As organizações possuem GRH com características estratégicas, relações de trabalho baseadas em boa interação entre sindicatos dos trabalhadores e empregados e alta taxa de sindicalização.

Palavras-chave: gestão de pessoas, gestão estratégica de recursos humanos, relações de trabalho.

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Introduction

People are crucial for an organization to achieve its goals. In this sense, human resources management (HRM) develops and implements policies and practices to reconcile the expectations of both employees and the organization (Dutra, Dutra, & Dutra, 2017). This research addresses strategic human resources management (SHRM) and labor relations, observing labor legislation and the intervention of external agents, such as the state and unions. The study is aligned with Gooerham, Mayrhofer, and Brewster (2019), who consider these agents to be formal institutions that influence HRM policies.

This research focuses on Brazilian corporate catering services companies. These firms provide meals to other organizations’ employees by delivering pre-prepared meals at clients’ locations or operating on-site cafeterias or kitchens within the client’s premises. The segment has shown a relevant presence in the Brazilian economy. In 2020, this market supplied 15 million meals/day, generating BRL 23.41 billion and offering 250 thousand direct jobs (ABERC, 2022).

According to Fischer (2019), despite being a known concept, the implementation and results of strategic HR management (SHRM) raise questions. Fischer (2015) reports the scarcity of national and international studies focused on specific industries and seeking to identify the elements organizations use when managing their relationships with employees. The sources found in this study’s bibliometric search point out that such scarcity persists.

The research question addressed is: How do labor relations and SHRM appear in corporate catering services companies? The main objective of the research was to identify and analyze labor relations and SHRM in these companies in the state of São Paulo. The specific objectives are to describe and consider the specific characteristics of labor relations between unions and firms and verify and reflect on the adoption of SHRM policies and practices in corporate catering services companies.

Theoretical Framework

For Dunlop (1993), labor relations consist of complex relationships between business management, workers, and government agencies. The author describes the labor relations system (LRS) as a network of norms that govern labor relations, determined by specific actors, interacting under certain contexts they do not immediately control, and sharing common ideas as regulators. Therefore, the LRS structure comprises the network of norms and three other elements: the actors, the context, and the system’s ideology. The actors of an LRS are the people who constitute the hierarchies of administrators, workers, and specialized government and private agencies (Horn, 2011). Dunlop defines the hierarchy of administrators as people who decide on work relationships on behalf of the organization. The hierarchy of workers involves both formal compositions and worker councils in a company, unions, political parties, and informal arrangements, a consequence of workers living together for longer periods. Finally, the third actors in the system are agencies specialized in labor relations matters, whether private or public, such as government bodies, ministries, or departments of labor, and the judicial system.

Labor relations influence HR management and have been discussed and studied over time. Kaufman (2015) links labor relations with HR management, stating that companies can implement human resource management and achieve corporate goals to the extent that they enlist the cooperation of other stakeholders who can help or hinder, including internal components such as employees and external elements like communities, unions, and governments.

The ideology of an LRS means a set of ideas shared by actors about their place and role in the regulation process (Horn, 2011). The LRS offers elements for analyzing the context, actors, institutions, and their operating rules, as well as the changes to these rules (Amorim, 2007). The actors in this system include workers, management, government, and their respective choices (Nogueira, 2008). The characterization of labor relations in an organization can be carried out through the analysis of the unionization rate, the performance of unions and their influence, their participation in
collective bargaining, and the existence of an advisory committee or workers’ commission in the company (Vernon & Brewster, 2013).

People management is characterized as a set of policies and practices that facilitate reconciling the expectations of both the individuals and the organization they work for over time (Dutra et al., 2017). Strategic human resource management (SHRM) aims to align human resource strategies with organizational strategies. It is the model of planned human resource deployments and activities designed to enable an organization to achieve its goals (Wright & McMahan, 1992). Some HR policies and practices characterize an SHRM as the presence of the HR manager on the company’s board, involvement of the HR executive in strategic decisions (2005), and the existence of a documentary record of HR strategies (Vernon & Brewster, 2013).

Studies address the topics researched according to Ulrich, Younger, and Brockbank (2008), who discuss how the HR department can add value based on two premises. The first is an HR organization aligned with the business structure. The second premise refers to five roles and responsibilities of HR: a) service centers, b) corporate, c) centers of expertise, d) embedded HR, and e) operational HR. Monks et al. (2012) reveal the important role of the alignment between HR and its philosophy and processes in the functioning of HR systems, the choices companies have when configuring HR systems, and the results obtained. Kaufman (2015) concludes that research in SHRM has advanced useful knowledge using theories with empirical methods. The author recommends studies in less inspiring segments, such as call centers and hotels, focusing on lessons learned from failure cases. Cascio (2015) advises that researchers should work directly with managers, creating models that involve internal and external factors, helping to define business and HR strategies.

Schmidt, Pohler, and Willness (2018) indicated that employees who received less investment in their development presented greater turnover intention and less organizational citizenship. Litwin and Eaton (2018) state that formal participation in performance is statistically positive. Therefore, the authors suggest that if formal and informal participation worked together, they could complement each other’s beneficial impact. Gould and Desjardins (2012) conclude that the relationship between conflict and cooperation and between capital and labor can change in months or years when other factors are kept constant, according to the length of the relationship between the employee and the employer. The research by Vernon and Brewster (2013) concluded that unionism facilitates the strategic integration of HR roles and found that the influence of the level of organization of unionism on the strategic integration of HR depends on aspects of the national pattern of industrial relations.

Costa (2007) compares central institutional and political elements of labor relations systems between Brazil and Canada. For the author, there are challenges for both countries. In Brazil, the challenge is to regulate new union legislation, strengthen the power of workers’ representation in the informal market, and guarantee a minimum of labor rights and social security. Cruz, Sarsur, and Amorim (2012) observed that the state does not influence the issue of managing skills used in organizations, making these an imperative action for workers.

Methodology

This qualitative, exploratory, and descriptive research (Richardson, 1999; Chizzotti, 2006; Gil, 1994) comprises multiple case studies. Several cases were purposefully selected to represent different points of view on the issue (Creswell, 2007). The research employed in-depth semi-structured interviews with HR managers, including a labor relations director, a labor relations coordinator, a union relations consultant, and an HR manager from four large corporate catering services companies operating in the state of São Paulo. Additionally, union members representing the workers in this industry were interviewed. Tables 1 and 2 synthesize the characteristics of the companies and unions examined.

Three of these companies were the largest in the corporate catering services industry at the time of the research. The unions interviewed were also those with the largest membership in the state of São Paulo for the same industry. Therefore, while the information provided by the interviewees
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was relevant due to the representativeness of their institutions in the industry, the results cannot be generalized to the entire state of São Paulo. The interviewees’ responses may be influenced by the different numbers of employees in the companies. The data of the companies and the interviewees were kept confidential, and the interviewees’ positions gave rise to different perspectives in their answers.

A document analysis was conducted based on the report of the collective bargaining agreement between workers and corporate catering service companies for the 2018/2019 period. Additionally, the study analyzed content from the companies’ websites and databases with secondary data, such as the RAIS (Annual Social Information Report, a database on the Brazilian labor market prepared by the Brazilian Ministry of Economy in 2017). The difference in dates is justified because these were the most recent data available for analysis at the time of the interviews. Thus, data triangulation was carried out using different sources to obtain evidence through interviews, document analysis, and secondary database analysis. Different data sources and points of view allow for better verification of the object studied. Thus, triangulation becomes a strong data collection point (Yin, 2015). The information analysis was based on the guidelines of Miles, Huberman, and Saldaña (2014), which justify its use when the theoretical positioning is the starting point for the research.

Table 1. Description of the corporate catering services companies.

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Company Alpha</th>
<th>Company Beta</th>
<th>Company Gamma</th>
<th>Company Delta</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of employees (State of São Paulo)</td>
<td>25,000</td>
<td>10,000</td>
<td>6,500</td>
<td>355</td>
</tr>
<tr>
<td>Number of HR Personnel</td>
<td>120</td>
<td>45</td>
<td>45</td>
<td>8</td>
</tr>
<tr>
<td>Capital origin</td>
<td>Multinational</td>
<td>Multinational</td>
<td>Multinational</td>
<td>National</td>
</tr>
<tr>
<td>Country headquarters</td>
<td>France</td>
<td>UK</td>
<td>Brazil</td>
<td>Brazil</td>
</tr>
</tbody>
</table>

Source: Elaborated by the authors.

Table 2. Summary of the characteristics of unions in the corporate catering services industry in the state of São Paulo.

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Union 1</th>
<th>Union 2</th>
<th>Union 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of workers</td>
<td>No response</td>
<td>18,000</td>
<td>12,000</td>
</tr>
<tr>
<td>Number of union members</td>
<td>14,000</td>
<td>15,000</td>
<td>7,000</td>
</tr>
</tbody>
</table>

Source: Elaborated by the authors.

Below is a summary of the concepts used in the research, their definition, and the questions used to investigate them.

Table 3. Conceptual, operational definitions and interview questions.

<table>
<thead>
<tr>
<th>Topics</th>
<th>Labor Relations</th>
<th>Strategic Human Resource Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conceptual definition</td>
<td>Labor relations consist of complex relationships between business administration, workers, and government agencies (Dunlop, 1993)</td>
<td>SHRM aims to align human resources strategies with the organization’s strategies; it is the model of planned human resource deployments and activities designed to enable an organization to achieve its goals (Wright &amp; McMahan, 1992)</td>
</tr>
</tbody>
</table>
Operational Definition
- Union membership rate
- Unions’ actions
- Presence of the HR manager on the company’s board;
- Involvement of the HR executive in strategic decisions;
- Existence of documentary record of HR strategies

Questions
- What proportion of the total number of employees in your organization are union members?
- To what extent do unions influence the organization?
- Does the organization recognize the union for the purpose of collective bargaining?
- Does the organization have an advisory or workers committee?
- At what stage of the business strategy development is the HR manager involved?
- Is your organization registered by a written mission, business strategy, and HR strategy?

Authors
(Crouch, 1993)
(Sisson, 1993)
(Purcell, 1995; Brewster et al., 1997)
(Sheehan, 2005)
(Hope-Hailey et al., 1997)

Source: Adapted from Vernon and Brewster (2013).

Results and Discussion

The characteristics of the actors who are part of the work relationships in the corporate catering service industry, including companies, workers, and government agencies (Dunlop, 1993), will be presented according to the following data.

RAIS database shows that the number of employment contracts in the industry for 2017 was 193,163. Among Brazil’s regions, the largest portion of these contracts is found in the Southeast, with approximately 62%. Focusing on the state of São Paulo, the number of jobs increased by 0.5% between 2015 and 2017. The highest concentration of workers is in the São Paulo administrative area (region encompassing the cities of São Paulo, Campinas, São José dos Campos, Sorocaba, and other smaller municipalities), with 55.7% of the total number of employees and growth of 1.4%.

Table 4. Number of workers in the corporate catering services industry, per gender, in the state of São Paulo in 2017.

<table>
<thead>
<tr>
<th>Administrative area SP</th>
<th>Male</th>
<th>%</th>
<th>Female</th>
<th>%</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>São Paulo</td>
<td>10,110</td>
<td>26.1</td>
<td>28,648</td>
<td>73.9</td>
<td>38,758</td>
<td>100</td>
</tr>
<tr>
<td>Campinas</td>
<td>3,474</td>
<td>19.1</td>
<td>14,737</td>
<td>80.9</td>
<td>18,211</td>
<td>100</td>
</tr>
<tr>
<td>S. J. Campos</td>
<td>838</td>
<td>17.4</td>
<td>3,966</td>
<td>82.6</td>
<td>4,804</td>
<td>100</td>
</tr>
<tr>
<td>Sorocaba</td>
<td>614</td>
<td>16.7</td>
<td>3,062</td>
<td>83.3</td>
<td>3,676</td>
<td>100</td>
</tr>
<tr>
<td>Outros</td>
<td>864</td>
<td>20.7</td>
<td>3,312</td>
<td>79.3</td>
<td>4,176</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>15,900</td>
<td>22.8</td>
<td>53,725</td>
<td>77.2</td>
<td>69,625</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Elaborated by the authors based on RAIS (2017).

The industry in São Paulo counts primarily on female workers, with 77.2% of the professionals.

Table 5. Age range (years) of workers in the corporate catering services industry in the state of São Paulo in 2017.
Most workers were in the age group 25 to 39 years old, 42.5%. Adding this group to the 40 to 49 age group, we obtain 71% of workers, which shows that it is a group predominantly on the way to middle age. The second group is employees aged 50 or over. For all cities, the age group distribution percentage is similar.

The education level of workers in the corporate catering services industry was mainly secondary education, 54.3%. The second largest group was primary education, 32.0%, i.e., the educational profile refers to individuals with medium to low education levels. The most frequent salary range is up to BRL 1,500.00, which is the remuneration of 53% of the employees in the sector. Concerning the contract duration, the most frequent working time range is from 6 to 23.9 months, 34.6% of contracts. The second most frequent range is 24 to 59.9 months, with 27.3% of contracts. It is observed that 21.9% of workers have a working period of up to 6 months. Thus, the workers’ time at the job is predominantly short (below 2 years), characterizing an industry of high turnover. It was then observed that fewer workers left the company in the first six months; however, they did not stay for more than two years.

The corporate catering services companies are represented in the state of São Paulo by business/employers associations, or “sindicatos patronais,” whereas the industry’s professionals are represented by their unions. The employers associations in São Paulo area identified in this research were Association of Corporate Catering Services Companies of the State of SP (SINDERC) and the National Federation of Corporate Catering Services Companies (FENERC). The unions representing the employees were the SindiRefeições SP, the Union of Workers of Corporate Catering Services Companies of the North and West of the State of SP (SINTERC), the Federation of Workers of Corporate Catering Services Companies of the State of São Paulo (FETERCESP) and the Union of Employees of Corporate Catering Services Companies and School Meals Providers Companies in the Municipalities of Santo André, São Bernardo, São Caetano do Sul, Mauá and Ribeirão Pires (SEERC).

The unions are connected to umbrella workers’ organizations such as Força Sindial and CUT – Central Única dos Trabalhadores. SindiRefeições, SINTERC, AND FETERCESP are affiliated with Força Sindical, and SEERC is affiliated to CUT. The collective labor agreement examined is valid for the period from June 01 to May 31 of the following year, and the date of reference to review the agreement is June 01.

The analyzed clauses of the 2019 collective agreement, which are related to labor relations issues, are that the base salary for the category is established at BRL 1,246.96, which is the remuneration of around 53% of workers in the sector in the state of São Paulo, percentage of workers with a salary of up to BRL 1500.00 (RAIS, 2018). The clause establishing a date for defining the profit share program demonstrates one of the points to be negotiated in collective agreements between workers’ unions and companies. The approval of employment contract terminations must continue to be carried out under the supervision of unions, even with the non-obligation established in the labor reform bill PL 6787/2016. Other modifications based on the labor reform, such as the regulation of part-time employment contracts and intermittent contracts and the possibility of reducing intra-day
work, are set in this 2018/2019 Collective Labor Agreement.

The answers from the interviews carried out with the managers responsible for labor relations at the companies studied and with union members are summarized in Tables 6 and 7.

Table 6. Summary of responses from interviews with HR managers about labor relations.

<table>
<thead>
<tr>
<th>Questions</th>
<th>Company Alpha</th>
<th>Company Beta</th>
<th>Company Gamma</th>
<th>Company Delta</th>
</tr>
</thead>
<tbody>
<tr>
<td>HR participation in the executive committee</td>
<td>Yes, HR vice-president</td>
<td>Does not occur</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Influence of workers’ unions in the organization</td>
<td>Constant interaction, direct action in profit share programs, and time banking negotiations</td>
<td>Interaction in labor relations and collective agreements</td>
<td>Influence of unions in the client’s sector, such as the metalworkers’ union. Negotiation of profit share program and time banking.</td>
<td>Collective agreements and collective convention</td>
</tr>
<tr>
<td>Existence of an HR professional in collective negotiations</td>
<td>Yes, union relations coordinator</td>
<td>Yes, labor relations coordinator</td>
<td>Yes, former HR manager and current labor relations consultant</td>
<td>Yes, the HR manager</td>
</tr>
<tr>
<td>Workers’ unions participate in the organization’s board of directors</td>
<td>No, because workers’ unions are decentralized</td>
<td>No, because the objectives of the parties are different</td>
<td>No, because they are different interests</td>
<td>No, they are only involved when the matter involves collective agreement issues or dismissals</td>
</tr>
<tr>
<td>Existence of a workers’ committee</td>
<td>No</td>
<td>No, because the units are geographically distant</td>
<td>No, there are only representatives in the units with the largest number of employee</td>
<td>No</td>
</tr>
<tr>
<td>Existence of communication channels for workers</td>
<td>Sim Yes, analyzed by an ethics committee</td>
<td>Yes, through a tool called Speak up, telephone, or email</td>
<td>Yes, through an open channel and handled by a committee</td>
<td>Yes, telephone, email, and direct contact</td>
</tr>
<tr>
<td>HR participation in strategic changes</td>
<td>Yes</td>
<td>Does not occur</td>
<td>Does not occur</td>
<td>Does not occur</td>
</tr>
<tr>
<td>Impacts of labor reform</td>
<td>Workers’ unions are more active</td>
<td>Flexibility in break times and approvals carried out in companies</td>
<td>Reduction of intra-workday breaks</td>
<td>Collective negotiations have become more complex</td>
</tr>
</tbody>
</table>

Source: Elaborated by the authors.

Table 7. Summary of data from interviews with union members in the corporate catering services industry in the state of São Paulo.

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Union 1</th>
<th>Union 2</th>
<th>Union 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unionization rate</td>
<td>No response</td>
<td>83%</td>
<td>58%</td>
</tr>
<tr>
<td>Age proportion of the workforce</td>
<td>18 to 24 years</td>
<td>5%</td>
<td>15%</td>
</tr>
<tr>
<td></td>
<td>25 to 49 years</td>
<td>80%</td>
<td>70%</td>
</tr>
</tbody>
</table>
According to interviews with companies and union members, around 85% of the workforce is in operational capacity. The average salary range is between BRL 1000.00 and BRL 1500.00 (RAIS, 2017), and, as previously reported, the normative salary for the category is BRL 1,246.96 (CCT, 2019). It can then be seen that most employment relationships are operational, and the remuneration values practiced are those negotiated by the collective agreement. The influence of unions on the remuneration of many workers in the sector can be seen through their actions in the collective agreement.

The average unionization rate presented by companies was 26%, with Company Alpha declaring 50%. The average unionization rate reported by union members was 70%. Despite the difference in the values obtained, there is a medium to high unionization rate compared to the national average in 2017, which was 14.4% (IBGE, 2018). This demonstrates a characteristic of labor relations in the companies studied, according to Vernon and Brewster (2013). In short, the corporate catering services industry has a female majority and operational workforce and medium to high unionization.

Unions influence organizations, mainly for collective agreements (profit share program, time banking, etc), and interact well with companies. Union members confirmed this claim of influence and reported standardizing worker benefits through collective bargaining. There is constant contact between unions and company HR. Contacts occur via telephone, electronic messaging applications, Whatsapp, email, and in person, which can occur once a year due to collective agreements and at any time necessary.

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Union 1</th>
<th>Union 2</th>
<th>Union 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proportion of operational workers</td>
<td>50 years and over</td>
<td>15%</td>
<td>15%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>80%</td>
<td>80%</td>
</tr>
<tr>
<td>Influence of workers’ unions in the organization</td>
<td>In the definition of the profit share program (employees may stop working in protest)</td>
<td>In negotiating the profit share program and time banking, as well as potential problems with workers</td>
<td>Regulate workers’ rights</td>
</tr>
<tr>
<td>Participation of unions in the organization’s board</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Existence of a workers’ committee</td>
<td>Yes, they are created by unions for representation in assemblies</td>
<td>No, because the workers are not all physically in one location</td>
<td>Yes, only in units with a larger number of employees or that have a problem</td>
</tr>
<tr>
<td>Existence of communication channels for workers</td>
<td>Yes, WhatsApp, Facebook, in person, and at meetings</td>
<td>Yes, WhatsApp, phone, email, Facebook, and in person</td>
<td>Yes, visits to the company, website, and WhatsApp</td>
</tr>
<tr>
<td>Participation of unions in strategic changes</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Impacts of Labor Reform</td>
<td>Agreement to maintain approvals in the union and new forms of contract</td>
<td>Reduction of workers’ rights and non-obligatory union contributions</td>
<td>Agreement with the employers’ association so that there is no individual contract agreement and regulation of new forms of working hours</td>
</tr>
</tbody>
</table>

Source: Elaborated by the authors.
Labor relations specialists from each company and union leaders carry out the negotiations that result in collective agreements. Food units located in metallurgical companies are influenced by the union in this sector, resulting in negotiations and achievements that are different from other units located in companies in other sectors. This influence of the metalworkers’ unions of the region of the state of São Paulo known as “ABC” under other categories has been observed since 1978 when there was a stoppage of the automobile industry in São Bernardo do Campo, which resulted in a milestone in collective negotiations, motivating several categories of workers to carry out strikes due to salary demands (Amorim, 2015). When negotiations do not achieve the unions’ objectives, strikes may occur, such as in 2016 in São Paulo, in the school meals subsector. According to union members, strikes were crucial to pressure and obtain a more favorable profit share program.

The duration of employment contracts in the sector is short, below 2 years. The most common working time range is 6 to 23.9 months, 34.6% of contracts and 21.9% of workers have a working period of up to 6 months. Gould and Desjardins (2012) suggest that the employment relationship is more affected by conflict than by cooperation when the relationship between employee and employer is short-lived. We observed a cooperative relationship through reports of communication channels between employees and employers and a few incidents of strikes. There is constant interaction between the union and the company, which can minimize the presence of conflicts, even if the relationship between the company and the employee is short-term. Gould and Desjardins (2012) also argue that long and short-term definitions vary depending on the type of employment.

The unions’ participation in the companies’ executive committee does not occur because, according to the companies, it would be difficult to determine a single representative of all unions. In the managers’ view, the interests of the parties are different. On the company side, it would be the business, and on the union side, the workers, and there is no interest on the part of the organizations for this participation to happen.

Union members also declared their non-participation in the companies’ executive committee, as they limited their activities to engaging in collective negotiations. According to them, there is no interest on both sides in this participation. The non-involvement of unions in situations of strategic HR decisions is a fact already observed in the research by Cruz et al. (2012), which demonstrates that the discussion of skills management, for example, was absent in negotiations and unknown to unions. In the same way, Brazilian legislation determines that collective conventions and agreements cover all workers, and agreements rarely occur in boards of directors (Amorim, Fischer, & Trullen, 2019).

None of the companies have a workers’ committee. However, the unions encourage worker representatives from each unit to participate in assemblies or represent the group before the company. Another reason given was the workers’ lack of interest in obtaining this responsibility, “No one wants this responsibility because everyone will complain about everything and the person can get lost in their daily lives” (Company Beta). The units are dispersed throughout the state of São Paulo, so this type of mobilization becomes difficult, and a similar reason was given by union members who stated that the units are physically distant. Through this information, it is possible to demonstrate how unions operate in the corporate catering services industry, according to Vernon and Brewster (2013). This action is frequent but somewhat limited in terms of more direct interference in the management of organizations.

The collective agreement is held in June of each year, and collective agreements are individualized between the companies and the workers’ union in each region. Negotiations have lasted from one to four months in recent years. All HR departments in the organizations studied have a specialist in labor relations, and only in one company is the specialist a consultant – a former HR manager of the company. All companies surveyed have communication channels between workers and the company, which offer freedom to express suggestions and complaints, which are confidential, and whose content is analyzed by national and even international HR. The means used are email and telephone. In the family-owned company Delta, this channel is open directly to any manager and the company’s owners. We observed that the sector has formal labor relations through unions and informal ones through different communication channels. Since this relationship can influence
decisions regarding the organization, the result for the company’s performance is positive and can complement the beneficial impact of both types of relationships (Litwin & Eaton, 2018).

The perception of company interviewees regarding the labor reform was that it brought greater complexity in negotiations with unions. On the other hand, it added gains for companies, such as flexible lunch hours and different forms of working hours contracts, as observed in the analysis of the 2018/2019 collective agreement document. The changes motivated unions to be closer to employees and more active in their purposes. The number of union members has not changed. However, for union members, there was a need for negotiations to maintain some procedures, such as approvals. This clause was observed in the 2018/2019 collective agreement document, “Terminations of employment contracts, with length of service equal to or greater than 12 months, should preferably be approved by the union” (CCT, 2019), and confirm that they sought more associations to maintain themselves financially after the permission for non-obligatory union contributions established by the labor reform.

The results obtained from this research demonstrated that corporate catering services companies present characteristics of SHRM. The documents of HR strategies analyzed are formalized and explicit in three of the companies examined. This corroborates Hope-Hailey et al. (1997), who define the documentary record of HR strategies as typical of SHRM. It is also observed that the HR managers of the four companies are involved in HR policy decisions and are involved in the implementation and feasibility of the established business strategy. Two companies declare that an HR manager participates in the executive committee. The others recognize that HR is not involved in strategic issues. This observation suggests that the HR of these companies may not be completely strategic, as Vernon & Brewster (2013) show, which define an SHRM as having the presence of the HR manager on the board of directors and being involved in strategic decisions. However, the registration of an HR strategy and participation in political decisions in the area demonstrate strategic HR management to the extent necessary for this type of business and organization.

This research revealed characteristics of SHRM in the organizations studied and positive aspects of labor relations such as unions that are engaged, influential, and active when it comes to the firms’ operations, constant interaction, and established and accessible communication channels between employees, company, and unions and, on the part of companies, the presence of a qualified person responsible for labor relations. When unions present these characteristics, they may stimulate the development of SHRM so that the organization can achieve its goals. Therefore, we observed that labor relations in the corporate catering services industry described in this research can contribute to the SHRM, corroborating findings obtained by Vernon and Brewster (2013), who concluded that being part of a union can facilitate strategic integration of HR roles.

Final Considerations

The corporate catering services industry has a predominantly female workforce with low education, primarily engaged in operational roles. As presented in Tables 6 and 7 and subsequently discussed, considering the Brazilian context, the unionization rate is medium to high (26%), demonstrating the influence of workers’ unions in the sector, with their primary impact on collective agreements. There is good interaction between workers’ unions and companies, involving specialists in labor relations. This high unionization rate and constant communication and interaction between unions and organizations contribute to the application and development of SHRM within these companies, as it requires HR to reconcile the union’s demands with the organization’s strategic objectives.

Also noteworthy is the discussion on labor reform, as cited by the respondents. The labor reform resulted in benefits for companies, such as more flexible working hours and different forms of contracts. The perception of union members was that there were more advantages for companies and a withdrawal of benefits from workers. Therefore, this promoted an increase in the complexity of collective negotiations to minimize negative impacts on employees. However, after the approval of the labor reform, unions demonstrated greater action in relation to workers, thus increasing the...
number of members and maintaining themselves financially, even after removing the mandatory union contribution.

The corporate catering services companies researched in this study exhibit SHRM characteristics, such as recording HR strategies, participating as an HR manager on the executive committee, and involving HR managers in HR political decisions (Vernon & Brewster, 2013).

Some topics are relevant for future research, such as studying HR behavior and labor relations in the corporate catering services industry in other states in Brazil. Observing similarities or differences in the results found in the companies researched in the state of São Paulo would be valuable. Another suggestion would be to obtain the perception of line managers regarding the researched topic and see how strategic HR management and labor relations manifest in their application in the operation of food units.

As limitations, the results are linked to the companies and interviewees involved in this study, making it impossible to generalize to the entire state of São Paulo. This research contributes to practical knowledge of HR management and labor relations in the corporate catering services industry. We worked directly with HR managers and union members to better understand the practices used, which could help define business and HR strategies (Cascio, 2015).

References


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