

WHERE DO YOU RANK?

Benchmark data from 138 unionized mid-market companies

STRUGGLING COMPANIES

7+

grievances
per 100
employees

TYPICAL COMPANIES

Resolve only
25-65 %
of grievances
at Step 1

TOP PERFORMERS

Experience
ZERO
arbitrations
per year

What separates top performers from everyone else?
It isn't budget. It's infrastructure.

This guide will show you where you stand — and what top performers do differently.

Want to skip ahead and see YOUR numbers? Get your personalized report in 5 minutes: LRIonline.com/rank



Why Measure Labor Relations Effectiveness?

Here's a question most company leaders can't answer: How does your labor relations operation compare to similar companies?

Not "how do you feel about it" — but actual performance metrics. Grievance rates. Resolution speed. Cost per issue. Arbitration outcomes.

In almost every other business function, leaders have benchmarks. Sales knows their close rate vs. industry average. Operations tracks productivity against competitors. Finance monitors margins against peers.

But labor relations? Most companies are flying blind.

The Cost of Not Knowing

When you don't measure LR effectiveness, three things happen:

1. Problems stay invisible until they explode. A grievance backlog doesn't feel urgent — until you're facing five arbitrations simultaneously. High attorney fees seem normal — until you realize you're paying twice what peers pay.
2. You can't make the case for resources. "We need more supervisor training" is a weak argument. "We're in the bottom quartile for Step 1 resolution, which is costing us \$40K in unnecessary escalations" gets budget approved.
3. You miss opportunities to get ahead. Top-performing companies don't just avoid problems — they build competitive advantage through better union relationships, lower costs, and fewer operational disruptions.

What You Gain By Measuring

- Clarity on where you stand vs. peers — not gut feel, actual data
- Early warning on problems before they become crises
- Evidence to justify investments in training, staff, or process improvements
- A baseline to measure improvement over time
- Confidence that you're not leaving money on the table

50 X
cost to arbitrate
versus step 1
resolution

The Four Metrics That Matter Most

Our benchmarks identify four metrics that reliably distinguish top performers from struggling operations. These aren't arbitrary — they're the indicators that correlate most strongly with overall operational health, cost efficiency, and long-term stability.

1. Grievance Rate (per 100 employees)

Struggling 7+ per 100	Typical 4-7 per 100	Top Performers Under 4 per 100
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What it measures: Formal complaints relative to workforce size — so a 500-person unit can be compared to a 100-person unit.

Why it matters: High grievance rates indicate systemic issues — inconsistent policy application, undertrained supervisors, or a breakdown in the working relationship. Each grievance consumes management time and can escalate into costly arbitrations.

2. Step 1 Resolution Rate

Struggling Under 25%	Typical 25-65%	Top Performers Over 65%
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What it measures: Percentage of grievances resolved at the first formal step, before escalation.

Why it matters: Every step a grievance advances costs more. Step 1 involves frontline supervisors. By Step 3+, you're pulling in HR directors and union business agents, and you're probably getting legal involved. High Step 1 resolution means supervisors are trained, empowered, and have productive steward relationships.

3. Arbitration Volume

Struggling 4+ per year	Typical 1-3 per year	Top Performers 0
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What it measures: Grievances that proceed all the way to third-party arbitration.

Why it matters: Arbitrations are expensive — typically \$15,000-\$40,000 each including attorney fees, arbitrator fees, and management time. Outcomes are unpredictable; even strong cases can be lost. High arbitration volume signals either poor grievance handling or a fundamentally adversarial union relationship.

The math: 4 arbitrations/year at \$25K each = \$100K. Reducing to 1 saves \$75K annually.

4. Legal Fee Percentage

Struggling 80%+	Typical 40-80%	Top Performers Under 40%
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What it measures: What percentage of your total LR budget goes to outside attorneys.

Why it matters: Attorneys are essential for NLRB charges, complex arbitrations, and complex legal advice. But day-to-day operational questions — "Can we move this employee?" or "Does this violate this clause?" — shouldn't require \$800/hour legal advice.

YOUR PERSONALIZED REPORT SHOWS:

This exact table — with YOUR data and your specific gap to target.

Get yours LRionline.com/rank



The problem: When companies route everything through attorneys, two things happen: (1) operational questions don't get asked because of anxiety about cost, and (2) attorneys end up doing work that doesn't require a law degree. Fortune 500 companies solve this with internal LR staff. Most mid-market companies haven't found that middle ground.

Additional Metrics We Track

Your personalized report also measures:

- Arbitration win rate — Are you winning the cases you take to arbitration? (Target: 75%+)
- Training investment — How much LR training do supervisors receive? (Target: 12+ hours/year)
- Union relationship quality — Self-assessment that predicts future grievance trends

Your Personalized Benchmark Report

When you complete our 9-question assessment, you receive a comprehensive 7-page benchmark report customized to your organization. Here's what each section delivers:

1. Your Overall Performance Score

A single percentile ranking showing exactly where you stand among 138+ unionized companies — with a clear tier label (Top Performer, Upper Middle, Lower Middle, or Bottom Quartile).



2. Five-Category Performance Dashboard

Your overall score broken down into five distinct categories — Cost Efficiency, Grievance Management, Outcome Quality, Union Relationship, and Prevention Investment — each with its own percentile and visual progress bar.

Your Overall Performance Dashboard

Quartile	Position
Top Quartile (75-100)	Top Quartile (75th+)
Upper Middle (50-75)	Above Average
Lower Middle (25-50)	Bottom Quartile
Bottom Quartile (0-25)	Bottom Quartile

You're in the lower middle. With focused improvements, you can reach Top Quartile (75th+) in 12 months.

Category	Percentile	Status
Cost Efficiency	50th	✓ Above Average
Grievance Management	55th	✓ Above Average
Outcome Quality	15th	✗ Bottom Quartile
Union Relationship	11th	✗ Bottom Quartile
Prevention Investment	51st	✓ Above Average

3. Top 3 Quick Wins (90-Day Action Plan)

The three highest-impact improvements you can make in the next 90 days. Each includes your current performance, target benchmark, gap to close, and estimated annual savings.

SAMPLE COMPANY: Priority #1: ARBITRATION RATE

Current: 26.7% | Target: ≤3%

Gap: +23.7% | Potential Savings: \$60K

YOUR PERSONALIZED REPORT SHOWS:

This exact table — with YOUR percentile performance, dashboard and action items. Get yours LRionline.com/rank



4. Detailed Performance Benchmarks

A comprehensive table comparing your metrics against database averages and best-practice targets — with clear indicators showing where you're at target, above, or below.

Performance Benchmarks

PRELIMINARY: Based on current benchmark respondents.

Metric	Your Data	Benchmark	Target	Gap
Grievances per 100	9.2	4.3	≤4	+5.2
Step 1 Resolution %	50	37.5%	≥75%	-25%
Arbitration Rate	2.5	3.3%	≤3%	✓ At Target
Arb Win Rate	50	50%	≥75%	-25%
Legal Spend %	10	80%	≤45%	✓ At Target
Training Hours	5	3.5 hrs	≥12 hrs	-7 hrs

5. Cost Savings Analysis

This is where the report gets interesting. We calculate your potential savings by comparing your current labor relations costs to an optimized model:

Cost Saving Opportunities

Current total labor relations costs vs. optimized model.

Cost Category	Current Model	Optimized Model	Annual Savings
LR Support	\$600K	\$48K	\$552K
Grievance Costs	\$38K	\$90K	-\$53K
Arbitration Costs	\$120K	\$30K	\$90K
Total Annual Cost	\$758K	\$168K	\$590K

Projected Reduction: 78% decrease in total annual labor relations costs

6. Three-Year ROI Projection

A detailed investment analysis showing projected returns if you optimize your labor relations model. Includes Year 1, Year 2, Year 3, and cumulative totals with ROI percentages.

3-Year Investment Summary

Projected returns based on Single Location tier (\$4K/month). Year 1 assumes 9-month partial year.

Timeframe	Investment	Projected Savings	Net Benefit	ROI
Year 1	\$36K	\$312K	\$276K	766%
Year 2	\$48K	\$427K	\$379K	791%
Year 3	\$48K	\$437K	\$389K	811%
3-Year Total	\$132K	\$1.2M	\$1.0M	791%

Conservative Estimate (60%): \$627K net benefit over 3 years

YOUR PERSONALIZED REPORT SHOWS:
This exact table — with YOUR cost savings analysis and
ROI projection. Get yours LRionline.com/rank



7-9. Strengths, Action Plan & Resources

Your report also includes:

- Current strengths — Areas where you already meet or exceed targets
- Personalized action plan — Immediate (this week), short-term (30 days), and medium-term (90 days) priorities
- Free resources — Links to tools, checklists, and training resources
- Optional consultation — Free 30-minute debrief call to discuss your results

Get Your Personalized Report

You've seen the benchmarks. Now find out where YOU stand.



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The 9 Questions

1. Bargaining unit size (50-100, 101-150, 151-300, etc.)
2. Grievances filed in last 12 months (0-5, 6-10, 11-20, etc.)
3. Arbitrations in last 24 months (0, 1-2, 3-5, etc.)
4. Annual LR spending (Under \$50K through Over \$500K)
5. Legal fee percentage (Very little through Almost all)
6. Step 1 resolution rate (Under 25%, 25-50%, 50-75%, Over 75%)
7. Arbitration win rate (if applicable)
8. Union relationship rating (1-10 self-assessment)
9. Supervisor training hours (annual LR training)

Don't Have Exact Numbers?

No problem. Our questions use ranges — estimates work perfectly. If you're unsure on a question, your best guess still produces useful insights.

Bonus: Managing the Union Shop Toolkit

Complete the assessment and you'll also receive our practical toolkit for day-to-day labor relations:

- Just Cause Checklist — The 7 tests every discipline decision should pass
- Grievance Investigation Cheat Sheet — Step-by-step process
- Steward Communication Playbook — Building productive relationships
- Contract Administration Tips — Key provisions to watch

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YOUR data and your specific gaps to target.

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About LRI Consulting Services

LRI Consulting Services has been helping companies manage union relationships for over 40 years. We work with mid-market companies (\$25M-\$200M revenue) that have union workforces but don't have dedicated internal labor relations staff.

The Problem We Solve

Most companies in this situation rely almost entirely on labor attorneys. The attorneys are excellent — but they're expensive, and they're designed for legal issues. Day-to-day operational questions ("Can I move this employee?" "How do I respond to this grievance?") don't require a law degree or attorney billing rates.

Fortune 500 companies solve this by having dedicated internal labor relations departments. But that's not practical for a company with 200 employees and one union contract.

Our Approach

We provide fractional labor relations support — access to experienced labor relations professionals without the cost of a full-time hire. We handle the operational questions so your attorney can focus on what actually requires legal expertise.

The result: faster answers to day-to-day questions, better documentation for the issues that do require legal involvement, and lower overall costs.

**Get Your Free Personalized
Benchmark Report**

5 minutes. 9 questions. Instant
results. Plus the Managing the
Union Shop Toolkit.

LRionline.com/rank or scan
the QR code



Questions? Call us at (800) 888-9115 or email
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