

An outreach campaign at Wal-Mart

By Michael Barbaro
and Steven Greenhouse

NEW YORK: Faced with public demonstrations of discontent by its employees, Wal-Mart Stores has developed a wide-ranging new program to show that it appreciates workers and to encourage them to air their grievances.

As part of the effort, Wal-Mart managers will hold monthly town-hall style meetings with rank-and-file workers and extend a 10 percent discount on a single product during the holidays to all its employees.

The program, described in an internal company document, was created after a volatile six months, when the company instituted a set of sweeping changes in how it managed its 1.3 million U.S. workers, or associates, as it refers to them.

Over that time, Wal-Mart has sought to create a less costly, more flexible labor force by capping wages, using more part-time employees, scheduling more workers at nights and weekends, and cracking down on unexcused days off.

The policies angered many long-time employees, who complained that the policies would reduce their pay and disrupt their families' lives. Workers even staged small rallies in Nitro, West Virginia, and Hialeah Gardens, Florida, the first such protests in recent memory.

A portion of "Associates Out in Front," the outreach program, is described in company documents as a way

for Wal-Mart to show workers "that we do appreciate you and that we have an ongoing commitment to listening to and addressing your concerns."

The documents were provided to The New York Times by WakeUpWal-Mart.com, a group financed by the United Food and Commercial Workers union, which fears Wal-Mart will undermine unionized stores.

The program includes several new perks "as a way of saying thank you" to workers, like a special polo shirt after 20 years of service and a two-week "premium holiday," during which Wal-Mart covers employees' health insurance payments.

Sarah Clark, a spokeswoman for Wal-Mart, said that the program is "a more formalized, contemporary approach" to communicating with and collecting feedback from its fast-growing work force.

But she said that it was not a response to workers' concerns about new company policies. Associates Out in Front, much of which is not described in the documents, she said, "is about building on something that is already very good."

In interviews, half a dozen Wal-Mart workers said that there was a growing perception within the company that managers do not respond to employees' ideas and complaints.

Kory Uselton, 35, an overnight floor cleaner at a Wal-Mart in Tyler, Texas, said that his store manager offered "robotic" company-approved responses during a recent meeting when workers

questioned the new attendance policy. It originally called for disciplinary action after three unexcused absences (though it was later revised to discipline workers after four unexcused absences).

Asked if family emergencies, like a sick child, would constitute an authorized excuse, Uselton recounted, the manager said, "No, it's not."

"Many of the associates were very upset," Uselton said. "Management is just not listening anymore."

Clark said Wal-Mart already had several systems in place that allow employees to criticize company practices.

Among other things, she said, there is a toll-free hotline that workers can call to report ethical lapses, a Web site on which H. Lee Scott Jr., the chief executive, answers questions, and a policy, known as the "open door," which permits anyone to bring complaints to executives at the highest level of the company.

Industry analysts generally praised Wal-Mart's new employee outreach effort, which they said appeared to imitate practices from companies known for cultivating a healthy relationship between managers and employees.

"When you look at the list of best employers," said Richard Hurd, a professor of labor relations at Cornell University, "you will find programs that look something like this." The question, he said, "is how sincere the effort is and how much change you see in workers' lives."

But he said that the perks Wal-Mart is offering, like a 10 discount on one