



## Emory University Response to Student Allegations and Demands relating to Sodexo

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### **Section 1. Allegations**

**Allegation #1** > Sodexo is a company with an egregious international human rights record. By conducting business with Sodexo, Emory is compromising its own ethical standards.

**Emory Response** >> The available evidence does not suggest that Sodexo is a company with “an egregious international human rights record.” While Emory will always remain open to new findings and evidence, the total record as we know it today, in addition to our own direct experience, is not consistent with this allegation.

We are aware of the claims made by TransAfrica and Human Rights Watch and certainly do not condone the alleged behavior or any behavior that violates our own ethical standards. We are also aware that Sodexo has released evidence that contradicts those allegations. It is important to keep in mind that all large employers face allegations of mistreatment of employees. Some allegations have merit, and some do not.

Moreover, within all large employers – including Emory – there will be instances of bad behavior by supervisors. The key is to ensure that there are processes in place enabling employees to bring allegations forward so that they can be investigated thoroughly and corrected as appropriate.

In summary, the available evidence does not suggest to us systemic abuses by Sodexo as a corporation. Based upon Emory’s ongoing relationship with and evaluation of Sodexo, the Administration believes Sodexo is operating within its [statement of ethical principles](#).

Emory has asked Sodexo representatives to meet with the University Senate to address this allegation and answer questions on September 20, 2011.

**Allegation #2** > Emory claims to have no ethical responsibility for its contracted employees.

**Emory Response** >> Emory has never claimed “to have no ethical responsibility for its contracted employees.” Indeed, Emory engages in due diligence before establishing relationships with major on-campus providers and insists that they pay the same full-time minimum wage paid to Emory employees and abide by non-discrimination laws. In addition, their employees have various avenues available to them for grievances or complaints, such as the contractor’s internal human resources department and/or Trust Lines. They may also file external complaints with various state and federal agencies, such as the NLRB, the EEOC, or the Department of Labor if they believe that they have suffered unlawful discrimination, retaliation, or have been the victim of unfair pay practices. Emory would not tolerate known and systemic unethical behavior by its contractors.



**Allegation #3** > Emory fails to provide contracted workers with sufficient avenues for grievance and redress. Contracted workers are currently denied an institutional venue at Emory where their voices are given due respect and consideration. Sodexo employees have testified that complaints made to the Sodexo company hotline are not addressed and do not lead to improvements of their workplace environment at Emory.

**Emory Response** >> Emory expects its contractors to treat their employees with respect and dignity and to provide their employees at Emory with sufficient avenues for grievance and redress. Emory does not provide an institutional venue for complaints about other employers; doing so would interfere with the relationships between employers and their employees. Nonetheless, Emory does want contracted employees to have appropriate avenues for expressing grievances. Sodexo has assured us that this is the case.

With regard to the allegation regarding a poor workplace environment for Sodexo workers at Emory, it is important to note that Sodexo at Emory reports a turnover rate of 9 percent in 2010, and just over 8 percent so far in 2011, which is significantly lower than the national average for the food service industry of 54.5 percent.<sup>1</sup> Additionally, turnover for college and university food service workers nationally is 33 percent.<sup>2</sup>

Emory has asked Sodexo representatives to meet with the University Senate to address this allegation and answer questions on September 20, 2011.

**Allegation #4** > Sodexo intentionally misled the Emory community by employing marketing managers and interns to write an op-ed from the perspective of food-service employee on March 1, 2010 (Referenced article: <http://www.emorywheel.com/detail.php?n=28104>)

**Emory Response** >> Sodexo has stated that there was no intent to mislead anyone with the op-ed and provided the following clarifying statement:

“The authors were Allison Arcos, Suzanne Barner, Kymetha Cobb, Whitney Ivey, and Lucy Watts. Allison Arcos was an Emory student working in the marketing department. She has since graduated. Suzanne Barner was a part time employee; formally a salaried employee. At the time the editorial was written, Suzanne was a full time, first-year law student at Georgia State University. Kymetha Cobb is an hourly employee who works at Cox Hall. Whitney Ivey was a full time hourly employee who graduated from Emory University in 2009. Lucy Watts was a line server at Cox Hall at the time the editorial was written. She is currently a line cook at Cox Hall. “

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<sup>1</sup> Bureau of Labor Statistics. (2010) Job Openings and Labor Turnover Survey for Accommodations and Food Service Industry Separation Rates [Data File]. Retrieved from <http://www.bls.gov/jlt/>

<sup>2</sup> National Association of Colleges & University Food Services (NACUFS) 2009 Benchmark Survey.



**Allegation #5** > Sodexo holds mandatory “captive audience meetings” on Emory’s campus behind closed doors, which in substance function as anti-union propaganda and serve to intimidate workers. (Related Wheel Article: <http://www.emorywheel.com/detail.php?n=29095>)

**Emory Response** >> Sodexo has provided the following response in a letter to the editor, Emory Wheel (4/12/10):

“Our respect for workers’ rights is clearly stated in our ethical principles, and our commitment to live those values is why Sodexo today was named one of the best companies for hourly workers by *Working Mother* magazine. We strongly believe that when faced with making a decision regarding union representation, our employees have the fundamental right to hear all sides of the issue and then make an informed decision free of pressure or coercion from anyone. The company has both the right and the responsibility to ensure that our employees are fully informed before they make such a decision; National Labor Relation Board rules specifically allow employers to provide information to employees.”

In a press release dated July 27, 2011 Sodexo says:

“Sodexo recognizes the value of union activity and has built positive relationships with more than 30 different unions. Over 15 percent of Sodexo USA’s workforce is unionized, which is more than twice the national average for the private sector, and the company has more than 300 collective bargaining agreements. “

Regardless of the specific allegation, Emory believes that employees should have access to full and balanced information about unions and also respects the rights of employers to hold meetings for education and discussion.

Emory has asked Sodexo representatives to meet with the University Senate to address this allegation and answer questions on September 20, 2011.

**Allegation #6** > Inequalities in benefits exist between Emory employees and contracted employees. Transportation inequities, for example, include higher parking fees and denial of free or discounted MARTA passes for contracted employees.

**Emory Response** >> It is true that different employees who are employed by different employers will receive different salaries and benefits. Even employees across one employer experience such differences. At Emory, for example, differences exist between faculty and staff, between tenured and non-tenured faculty, between Emory University and Emory Healthcare employees, and between Emory employees and employees of contractors. Without reviewing the full benefit package, one cannot identify a specific benefit and label it an inequality. For example, while Sodexo employees do not currently have the benefit of free MARTA passes, they receive a \$9.75 per day food voucher, which is not available to Emory employees. Regardless, it is important to clarify that Sodexo employees who purchase a parking permit from Parking Services pay the same monthly parking rates as Emory University employees.



**Allegation #7 >** Sodexo employees have been paid \$10.30 per hour, in violation of Emory's fair wage rate.

**Emory Response >>** Per Emory's requirement, Sodexo's full-time employees on the Emory campus (defined as those working 30 hours or more per week) earn \$10.75 or more per hour, and the average rate of pay (before benefits) is \$12.54. Sodexo reports that its part-time employees (those working less than 30 hours per week) earn no less than \$10.00 per hour.

Sodexo has noted that there was one error involving a full-time employee who previously worked part time and whose rate was not immediately adjusted upon her shift to full-time status. We have been told that, after discovering the error, Sodexo contacted the employee, informed her of the mistake, and paid her retroactively for the wage change.

**Allegation #8 >** Sodexo's daily operations at Emory represent an affront to human dignity. Pregnant women have been denied access to chairs when they requested to sit. Male workers of color have been called derogatory names, such as "boy." Sodexo workers have testified to an overall work environment of disrespect on Emory's campus.

**Emory Response >>** The alleged isolated incidents, if true, would be inconsistent with our understanding of Sodexo's own policies and practices, and we would expect Sodexo to take action to investigate and correct these problems. Sodexo has an [Employee Handbook](#), which outlines expectations regarding treatment of its employees and mechanisms for employees to complain about unfair treatment.

With regard to the allegation of a male worker of color being called "boy," Sodexo reports that an African American employee complained that his African American supervisor called him "boy." Sodexo management reports that it investigated the incident and counseled the supervisor about the use of inappropriate and insensitive language, and the conduct has not recurred. As to the allegation that pregnant employees are denied access to chairs, Sodexo reports that it invites pregnant employees to provide specific work instructions from their physicians, that they follow the physicians' instructions, and would accommodate requests from pregnant employees for chairs or alternate work duties as appropriate. Sodexo management stated that no requests for accommodations have been made by pregnant employees in the past few years. Sodexo does note that not all food services jobs can be safely performed from a seated position.

Emory has asked Sodexo representatives to meet with the University Senate to address this allegation and answer questions on September 20, 2011.

**Allegation #9 >** Sodexo managerial practices disregard basic expectations of workplace standards in line with Emory's reputation as an ethically engaged institution. These practices include allocations of vacation time without regard to workers' requests or family needs, haphazard implementation of promotions and seniority, drastic reductions of hours without sufficient notice to employees, and arbitrary applications of disciplinary actions ("writing up") which some have testified as being directed towards workers seeking to unionize.



**Emory Response** >> Sodexo has shared its [Employee Handbook](#) that sets forth a wide range of policies. Each of the specific issues cited above is addressed in the handbook, a copy of which can be found at the [Sodexo Employee Handbook](#) link. We are not aware of evidence that Sodexo's managerial practices systematically disregard or violate those policies. Sodexo employees have avenues available to them to address those alleged policy violations.

Emory has asked Sodexo representatives to meet with the University Senate to address this allegation and answer questions on September 20, 2011.

## **Section 2. Demands**

**Demand #1** > Terminate Emory's financial relationship with Sodexo.

**Emory Response** >> Given Sodexo's record as a whole, termination of the Sodexo contract is not warranted.

**Demand #2** > Implement the attached Labor Code of Conduct that would apply to in-house dining or a new contract with an alternate food service provider.

**Emory Response** >> Implementing the proposed Labor Code of Conduct would not be in the best interests of Emory or those working on the Emory campus. Among other things, the draft code largely focuses on the manner in which Emory and its contractors would respond to union-organizing efforts on campus and would limit employees' access to full and balanced information about such an important topic.

Our response would not be complete without noting that the proposed Labor Code of Conduct is copied, in large parts verbatim, from the Kick Out Sodexo website (see [http://kickoutsodexo.usas.org/files/2010/09/20100909\\_labor\\_standards\\_for\\_food\\_service\\_contracts.pdf](http://kickoutsodexo.usas.org/files/2010/09/20100909_labor_standards_for_food_service_contracts.pdf)). That website contains a "step-by-step guide to kicking out Sodexo at your school!" (See <http://kickoutsodexo.usas.org/how-to-kick-out-sodexo/>).

Directly related to this campaign is a lawsuit filed by Sodexo, which alleges that the Service Employees International Union (SEIU) has engaged in extortion, smear campaigns, and unlawful attacks on Sodexo's business relationships with its college and university clients. According to the lawsuit, the SEIU has assisted and guided various student groups in creating the "Kick Out Sodexo" campaign, in an effort to put pressure on universities to terminate their relationships with Sodexo, so that Sodexo will eventually capitulate and allow the SEIU to represent all of Sodexo's 120,000 employees nationwide, without allowing the workers to vote in an NLRB-supervised secret ballot election. A federal judge recently ruled that the lawsuit may continue forward.

**Demand #3** > Form a President's Commission on the Status of Class that is on par with the three established commissions. This commission would be comprised of Emory staff, contracted employees working on Emory's campus, undergraduates, graduate students, faculty, and administration officials. This commission would oversee the implementation of the Labor Code of



Conduct, work collaboratively with existing entities responsible for selecting alternative contractors, investigate current and future grievances regarding workers at Emory, and serve as a transparent body that is held accountable to the Emory community on issues of class and labor.

**Emory Response >>** Provost Earl Lewis and Mike Mandl, Executive Vice President for Finance and Administration, have appointed a Committee on the Study of Class and Labor to explore, via a multi-phase process, the nature of status and the relationships between different categories of staff and faculty within Emory (*Emory Report*, 3/7/11). Representatives of SWS have been invited to meet with members of that Committee.

In view of this, a new commission for this specific purpose is not warranted.

**Demand #4 >** Refrain from entering into financial relationships with corporations that have documented violations of international human rights standards.

**Emory Response >>** Before establishing financial relationships, Emory engages in due diligence that considers many factors, a process that has been favorably recognized in higher education.

**Demand #5 >** Eliminate the additional transportation and parking costs incurred by contracted workers, as compared to direct Emory employees.

**Emory Response >>** Sodexo employees who purchase a parking permit from Parking Services pay the same monthly parking rates as Emory University employees and have access to the same shuttle services. Emory University differentiates the fees that it charges 'short-term contractors' versus 'long-term on campus contractors,' who have a daily presence on campus and provide ongoing services. Similar to visitors who pay higher rates for parking on campus for shorter visits, short-term contractors who are on campus in a project-type role pay higher rates. Long-term contracted employees, such as those with Sodexo, pay the same monthly rates that Emory employees pay.

**Demand #6 >** Ensure that all workers on Emory's campus enjoy an environment that is free of intimidation and in line with Emory's own ethical standards that respect human dignity.

**Emory Response >>** Emory seeks to provide an environment for workers, as well as students, faculty and visitors, that is in line with our ethical standards.