Are Australians Really Unhappier with their Bosses Because They’re Working Harder? Perspiration and Persuasion in Modern Work

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It has been common for analysts to develop typologies of management strategies, distinguishing in some way between employers who exercise close direct control of workers and those who provide greater autonomy and self-direction for workers. The latter group is said to be increasing in incidence relative to the former group. Yet there is also considerable evidence of work intensification, in Australia and elsewhere. Is this a result of employers exercising greater direct control over workers? That is, is work intensification a defining characteristic of a paradigm that encompasses greater exercise of managerial prerogative and which is distinguished from a more worker-friendly, participative paradigm in which employees work “smarter,” not “harder”? Or is work intensification also occurring in workplaces where managers provide greater autonomy and decision-making power to workers – attributes which are increasingly being associated with the term “high performance workplace”? Is dissatisfaction with management growing because of the stress associated with work intensification? Are Australians – and perhaps by implication, workers elsewhere – unhappier with their bosses because they are working harder? Or are there other factors at work?

Before we turn to our data, we will expand on some of the background in the literature to this study. Although typologies of managerial strategy differ in their precise content and definition, they all establish some distinction between what Wright (1995) calls “high trust” and “low trust” approaches. Friedman (1977), for

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example, identifies “direct control” (management try to reduce the responsibility of individual workers by close supervision and by setting out in advance and in great detail the specific tasks allocated to each worker) and “responsible autonomy” (managers try to emphasize the positive aspects of labour capacity, namely its malleability, so that workers are granted responsibility and status, supervision is restricted, loyalty is rewarded etc.). The choice taken by managers depended on the degree of competition in labour markets and product markets. Edwards (1977) distinguished between “technical control” and “bureaucratic control.” Burawoy (1979, 1983) created a three-way classification, involving “despotic control” (direct control), “hegemonic control” (more sophisticated means related to bureaucratic control) and “hegemonic despotism” (where the fear of being fired is replaced by the fear of capital flight, plant closure, the transfer of operations and disinvestment, and the enhanced power of capital is associated with new management practices such as quality circles which attempt to mobilize consent for increased productivity).

Whichever of these typologies is preferred, it is clear that the focus of management on particular types of strategies has varied from time to time. For example, Wright (1995) found in Australia that from the 1870s to the 1930s, employers managed labour in a largely unilateral fashion, but some companies “sought to increase employee loyalty and productivity through more systematic selection and training, as well as various forms of welfarism.” This period witnessed the prevalence of various anti-union practices, such as victimization and “black lists” of union members or activists. In the 1940s to 1960s period, the mix of coercive and consensual approaches was “more pronounced.” Low-trust patterns and scientific management persisted in some firms. Many others, though, were involved in the development of personnel management, strategies to attract and retain scarce labour and increasingly formalized practices (training, recruitment, communication and rewards). Some employers sought greater employee commitment through welfarism. The 1970s onwards saw the development of “human resource management” practices, but there continued to be a split between low-trust and high-trust managerial practices. Some employers sought to reassert the sanctity of managerial prerogative, rejected union involvement, reduced job security, promoted casualization, and brought about the deskilling of labour. Others sought to raise productivity through improved training, employee participation, union consultation and negotiation (Wright 1995: 210-216). There is other evidence that, while historically, the incidence of “employee participation” – a range of means whereby workers are able to influence decisions that affect them – has been relatively low in Australia (Frenkel 1986), its incidence is probably increasing, though employees
report a diversity of experiences. In the 1995 Australian Workplace Industrial Relations Survey (AWIRS) just 25 per cent of employees in workplaces with 20 or more employees reported having a higher say in decisions that affected them (compared to a year earlier); 18 per cent reported having a lower say (DIR 1996). In 1994, employees in workplaces with ten or more employees were evenly divided on whether management was providing more or less information to employees (DIR 1995: 225). Employers, more consistently, have claimed an increase in employee input to decisions about change (Boreham, Harley and Hall 1996). Observations in literature for other countries also suggest that, at least to some extent, there has been a shift in emphasis from despotic to “hegemonic” regimes, that is to regimes in which consent is more important than coercion – “although never to the exclusion of coercion” (Burawoy 1985: 126).

Underpinning any shift to more hegemonic regimes is the belief that this is a more effective means for firms to increase productivity. Employee participation is seen in the literature as often increasing job satisfaction and producing beneficial (to the employer) impacts on commitment, quality, turnover and absenteeism (Strauss 1992: 303). There is “consistent support” for the view that worker participation in management causes higher productivity. This proposition “is supported by a variety of methodological approaches, using diverse data and disparate time periods,” although it “is not always the case” that employee participation has these effects (Jones and Svejnar 1982; see also e.g., Cable and FitzRoy 1980a,b). Strauss (1992) comments, less positively, that the evidence on the productivity impact is uncertain, but this principally reflects his inclusion within “employee participation” of financial participation arrangements such as profit sharing, which have no inherent link with employee autonomy or involvement in decision-making.

In recent years the notion of employee participation has been refined and linked most explicitly to organizational performance through the concept of high-performance work systems (HPWS). This term is used increasingly to describe high-commitment or high-involvement models of work organization. High-performance systems represent a significant departure from Taylorist work methods that were based on an acute division of labour, close supervision, and minimal work involvement. HPWS, in contrast, involve quality management practices synonymous with lean production in combination with human resource management practices that foster employee empowerment and involvement. This new type of work system is deemed to outperform Taylorist work systems, especially in the provision of high-quality goods and services (Wood 1999).
A key component of HPWS is the focus on creating a work environment or culture that recognizes and supports customer expectations and needs. HPWS employ new flexible technologies and flatter organizational structures to improve internal communication and responsiveness to customer and market demands. The use of quality circles creates opportunities for continuous improvement in the design and operation of work methods. Quality circles also enable workers to become more directly involved at work. Employee participation is further enhanced with the use of semi-autonomous work groups. To support the more active engagement of employees at work, there is a heightened need for training and staff development (Farias and Varma 1998).

Research indicates that firms employing HPWS do experience improved organizational performance in terms of financial success, productivity and decreased employee turnover. Higher levels of performance tend to occur where organizations adopt a “bundle” of integrated human resources practices rather than individual practices. Performance is also improved if there is a close “fit” between business strategy, production systems and human resources strategies (Farias and Varma 1998; MacDuffie 1995).

At the same time, there has also been considerable evidence of work intensification occurring in Australia (Allan 1997; Allan, O’Donnell and Peetz 1999; Donaldson 1996; Reeder 1988; Lund and Wright 1998; Heiler 1996; ACTU 1998) and elsewhere (Edwards and Whitson 1991; Nichols 1991). This has been associated with greater technological control by employers and/or employer speed-up in grocery warehousing (Lund and Wright 1998) and fast food (Reeder 1988) and with downsizing (Junor, Barlow and Patterson 1993: 101-103; Bramble, Parry and O’Brien 1996: 81; Littler et al. 1996). Some studies suggest work intensification may also be associated with the use of teamwork (Junor et al. 1993: 168), traditionally linked to more participative management strategies. So, just how well do employees fare in highly consultative, participative work environments? A classic study is the examination by Barker (1993) of a firm, given the pseudonym “ISE Electronics,” in which there was a shift from hierarchical (bureaucratic) control to self-managing teams. Barker noticed that, after the shift, employees felt more closely watched than when they were under bureaucratic control. He described “concertive control” as something that grows out of a substantial consensus about values, high-level coordination and a degree of self-management by members or workers in an organization. Barker considered that, “contrary to the proponents of such systems, concertive control did not free workers from Weber’s iron cage of rational control.
Instead, the concertive system, as it became manifest in this case, appeared to draw the iron cage tighter and to constrain the organisation’s members more powerfully.” Similarly, Van den Broek (1997: 346-347) found that, in a large Australian service sector company that utilized teams with whiteboards that displayed the daily productivity of each team and team member, workers rather than management sanctioned those team members believed to be shirking. So perhaps things are not all rosy in the garden of worker participation. Let us turn to the Australian data to see what we can find about the links between increases or decreases in employee participation and changes in work intensity, satisfaction with management, stress, and satisfaction. Is all that perspiration at work a result of the tight exercise of managerial prerogative, or is it the power of self-persuasion at work? Is the high performance that might be found in high-performance workplaces due to working smarter or working harder?

**DATA**

Our data come from the Workplace Bargaining Survey 1994. In October and November 1994, the Federal Department of Industrial Relations (DIR) conducted this national survey of Australian workplaces with 10 or more employees. The survey examined the type and extent of change introduced into workplaces and the manner in which it was introduced. It covered both part-time and full-time employees. All industries were surveyed, except agriculture and defence. There were 11,233 useable employee surveys returned representing a response rate of 40 per cent. All results were weighted to provide estimates from their population (DIR 1995: 7, 8).

We measured our key variables thus: **Broadening**, or increased functional flexibility, is measured by responses to a question asking employees whether the “range of tasks you perform in your job” was lower or higher than 12 months ago. **Insecurity** is measured by whether respondents stated that “the security of your job” was lower or higher than 12 months ago. **Work intensification** is measured as occurring where respondents either agreed that the “effort you put into your job” was higher than 12 months ago or they agreed that “total hours you usually work each week” had gone up in the last 12 months while usual total weekly pay had not gone up. (This last qualification removes from our definition those employees working more hours simply in order to receive more pay, though by doing so it probably understates work intensification.) These three variables were chosen because of their prior usefulness in developing an understanding and model of
changes in labour utilization in recent years and of how changes in labour utilization may affect certain dependent variables (Allan, O'Donnell and Peetz 1999). As for dependent variables: stress is measured by a question on whether the “amount of stress” in respondents’ jobs had gone up or down in the previous twelve months. Work and family balance is measured by a question on whether their satisfaction in the balance between their work and family lives had gone up or down in the preceding twelve months. Dissatisfaction with management is measured by a question on whether their satisfaction with management had gone up or down in that period.

As to the issue of where employees sit on a involvement-managerial prerogative continuum, we conceptualize employees as falling into one of three categories: those who perceive employee involvement in decision-making as increasing (that is, a shift to more “high trust” or “consent”-based approaches by management) those who perceive the exercise of managerial prerogative as being tightened (that is, a shift to more “low trust” approaches based on managerial control), and those who see no change in the degree of employee involvement or prerogative. Our practical application of this typology is to develop a four-item index of control (_=.70) comprising responses to questions on whether employees perceived each of the following as being higher or lower than twelve months earlier: their say in decisions that affected them; the amount and quality of information they were given by management; their ability to influence the hours they worked; and the level of cooperation between management and employees. The index is additive from one, with a score of zero being added when employees report an item as going up, one when there is no change and two when it has gone down. Hence the lowest score on the index, one, is associated with the greatest increases in employee control and is recorded when employees report each item going up; it indicates the most comprehensive extension of employee involvement. The highest score, nine, is achieved when each item declines, and indicates the greatest extension of managerial prerogative. The median score, five, is recorded when either there is no change in any item or the “highers” balance the “lowers.” Some 27 per cent of employees are in this median category, while 38 per cent have a score that indicates some increase in employee involvement (a net improvement in at least one of the items) and 35 per cent indicate a decline in involvement and an increase in managerial prerogative (a net deterioration in at least one of the items).

We only count employees who had not changed jobs in the year preceding the survey, and do not count employees who responded “n/a” or “don’t know” to the relevant questions.
STRESS AND DISSATISFACTION WITH MANAGEMENT

In an earlier paper (Allan et al. 1999) we report data on the incidence of three forms of labour adjustment in Australia: job broadening, work intensification and increasing insecurity. We observed that over half of employees reported each of the first two and that a significant minority reported the third. We noted the relationship between labour adjustment and stress amongst workers. Each form of labour adjustment was associated with higher levels of stress amongst employees, and combinations of more than one form of labour adjustment led to further increases in stress. The employees showing the most frequent incidence of increased stress were those experiencing all three forms of labour adjustment. Likewise, increased dissatisfaction with the work and family balance was associated cumulatively with increased exposure to forms of labour adjustment.

Given the nature of changes occurring at the workplace, it should not surprise if there is declining employee satisfaction with management. Indeed, at the time of the WBS, just 18 per cent of employees said that they were more satisfied with management than a year ago, while a substantial 40 per cent reported that they were less satisfied with management. A further breakdown of these data, by forms of labour adjustment, is shown in Figure 1, which also compares these figures with those on stress and satisfaction with the work/family balance.

Even amongst employees who experienced no change in the three forms of labour adjustment, a quarter reported a decline in satisfaction with management. The percentage of dissatisfied employees increases only slightly to almost a third, if workers were experiencing broadening or work intensification. However, employee dissatisfaction with management roughly doubles if employees perceived job insecurity. Similarly, on the complex change items, the presence of employment insecurity, coupled with either work intensification or job broadening, is likely to result in high levels of dissatisfaction with management. Conversely, if workers were experiencing job broadening and work intensification (but not insecurity), then the reported rate of dissatisfaction is only approximately a third of employees. When all three forms of labour adjustment were occurring, nearly three-quarters of employees reported dissatisfaction with management.

Overall, these data seem to indicate that dissatisfaction with management is most closely related to job insecurity. Where employees perceive that their employment is in jeopardy, then they tend to hold a poor view of management. On the other hand, if employees feel secure in their job, they are much less likely to report a negative view of management even though their jobs have been broadened.
Figure 1
Forms of labour adjustment, increased dissatisfaction with management and other disContents

Figure 2
Increased dissatisfaction with management and increased managerial prerogative
or intensified. On the surface, then, there appears to be almost no relationship between work intensification and dissatisfaction with management and only a slight relationship between job broadening and dissatisfaction with management. This finding seems curious given that, as shown in Figure 1, employees reported high levels of stress, and declining levels of dissatisfaction with the work and family balance, due to these changes.

Why would management be let off so easily by employees when work is intensified or broadened? The answer appears to lie in the way in which work intensification or job broadening is brought about; that is, whether management uses strategies of involvement or tighter managerial control to intensify or broaden work. As can be seen from Figure 2, there is a very strong relationship between changes in the degree of involvement and changes in management-related dissatisfaction. Employees indicating increased involvement are not very likely to report increased dissatisfaction with management. Employees indicating declining involvement, and increased exercise of managerial prerogative, are very likely to report increasing dissatisfaction with management. As managerial prerogative grows, employee dissatisfaction with management also grows. When we control for perceptions of managerial prerogative/involvement in multivariate analysis, work intensification and job broadening both have a strongly significant impact on dissatisfaction with management.4

We also found a strong positive relationship between increasing insecurity and increasing managerial prerogative. Amongst employees with the lowest score (the largest improvement in involvement), only 11 percent reported increasing insecurity; amongst those with the highest score (the largest increase in managerial prerogative) 71 per cent reported increased insecurity. But a quite different pattern emerges regarding work intensification and job broadening. Figure 3 shows the relationship between these two dimensions of change in labour utilization and changes in control. Work intensification and job broadening is most common both where management substantially increases its use of its own prerogative and where management significantly increases employee involvement through the delegation of decision making, the improvement of information flows, the extension of employee control over hours worked and more co-operative managerial styles. These U-shaped curves reveal the existence of two quite distinct ways in which work intensification or job broadening commonly take place.

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4. The OLS equation was [Dissatisfaction with management] = -0.44 + 0.10 [Job broadening] (t=8.7) + 0.04 [Work intensification] (t=3.4) + 0.15 [increased insecurity] (t=13.9) + 0.15 [increased managerial prerogative] (t=56.1), r² = .39.
For about two fifths of employees experiencing work intensification or job broadening, this takes place in the context of increased managerial prerogative. But for another two fifths of employees, it takes place in the context of increasing employee involvement. In many of these workplaces, employees accept the need to work harder because they have absorbed and endorsed the management message about the changing environment in which the organization is operating and the need to be competitive, commercial or client-focused. Employees here operate not under systems of bureaucratic control but increasingly under systems of “concertive control” in which employees “reach a negotiated consensus on how to shape their (own) behaviour according to a set of core values.” Concertive control “is more powerful and has a greater ability to control than the bureaucratic system it replaces” even though – or perhaps, because – “the way it becomes manifest is less apparent than bureaucratic control” and employees “readily accept that they are controlling their own actions” (Barker 1993: 411, 435).
To some extent these two scenarios are “ideal” types, and there is a mid group—about a fifth of those employees experiencing work intensification or job broadening—who fall almost halfway between the two. But the closer we get to an extreme scenario—of strongly increasing direct managerial prerogative or strongly increasing employee involvement—the more likely we are to see the intensification of work.

An illustration of the forces at work here can be seen in the surprising relationship between work intensification and changes in employee control over working hours, one element of our index of managerial prerogative. If work intensification was simply a result of employers exercising greater prerogative over employees, then we would see a linear relationship between changes in employee influence over hours, and work intensification. Indeed, as we might expect, 73 per cent of employees reporting decreased influence over their hours indicated work intensification, compared to just 55 per cent of those reporting no change in influence. However, remarkably, 75 per cent of employees who reported increased influence over their own working hours also indicated work intensification. Work was intensifying both for those employees who are under tighter regimes of managerial prerogative, and those who appear to have greater powers of consent over their own working time.

It is the effect of shifts in control that explains why work intensification and job broadening does not have an obvious impact on dissatisfaction with management in the data of Table 1. For many (but not most) employees, work intensification and job broadening is brought about by changes in work organization of which employees “approve” because it appears to give them more control over their work. The high levels of stress associated with these changes suggest that this control is, in substance, illusory. Many employees may be obtaining more control over their working lives, but at the expense of losing control over their personal lives. Many others, of course, are losing control over both.

CONCLUSION

Two main points emerge from this analysis. First, while stress and dissatisfaction with the work and family balance is increased by each of 3 dimensions of labour adjustment (work intensification, job broadening, increased insecurity), increased dissatisfaction with management is most closely correlated with increased insecurity, because of the strong relationships between increased managerial prerogative, increased insecurity and dissatisfaction with management.
Second, and perhaps more importantly, it can be seen that not all changes at work are being “forced” upon employees against their “will.” While many employees are being made to work harder as a consequence of the growing exercise of managerial prerogative, others are working harder in the context of what might appear to be greater employee control over their own working lives. Even changes that give employees greater control over their working time appear to be associated with increased work intensity. As Barjer’s (1993) study showed, peer pressure may be replacing the role of increased managerial supervision. Thus shifts either to “high performance” or Tayloristic work systems are associated with increased work intensity and stress. But in the face of a shifting balance of power away from workers associated with globalization, the deregulation of markets and the decline in union power, the notion of employee “will” is problematic. Whether management chooses a “prerogative” or “involvement” strategy has a big impact on employee satisfaction with management, but either way management seems able to extract increasing effort and flexibility from employees. But with the growing levels of stress and distress that are associated with the changes to labour utilization that are favoured by employers, we have to wonder whether these trends are sustainable.

REFERENCES


RÉSUMÉ

L’élargissement du travail, son intensification et l’insécurité croissante sont associés à des niveaux plus élevés d’effort parmi les employés. Cependant, seule l’insécurité croissante est fortement associée au mécontentement par rapport à la gestion. L’explication de ceci est probablement dans les stratégies de consentement ou de commandement que la gestion utilise. Tandis que beaucoup d’employés travaillent plus dur parce que la prérogative gestionnaire est croissante, d’autres qui travaillent aussi plus dur croient qu’ils ont un plus grand contrôle concernant leurs conditions de vie au travail.