Abstract

The paper argues that the adoption of more flexible labour policies has been a major feature of work and employment restructuring in the 1980s and 1990s. We argue that there are three main dimensions of labour utilisation: work intensification; job broadening and employment insecurity. These dimensions are affecting both standard ‘core’ workers and non-standard ‘peripheral’ workers. Reviewing case study evidence and survey data from a federal Australian government study of workplace change, we analysed employee perceptions to these forms of labour utilisation. Employees are being affected by differing combinations of these dimensions and are experiencing higher stress levels, greater job insecurity and lower levels of satisfaction with management.

INTRODUCTION

In Australia and other countries, one of the dominant economic themes of the 1980s and 1990s has been labour flexibility. Increased competitive conditions precipitated by globalisation, market liberalisation and the availability of new technologies has encouraged employers to adopt more flexible labour policies (Frenkel and Peetz 1998). Traditional craft and occupational boundaries and tasks clusters are being broken down and reconfigured as employers seek greater flexibility in the allocation of workers to tasks (Locke et al., 1995). To attain greater correspondence between product market demand patterns and labour deployment, employers have also restructured traditional working-time arrangements and employed more non-standard and flexible workers (Brewster et al., 1997). The capacity of workers and unions to resist such changes has been tempered by chronic unemployment and
declining union density and influence (Peetz, 1998). The expansion of labour flexibilisation represents a major challenge to the once standard model of employment and work of the post World War II period.

Arguably, one of the most influential models of labour flexibility has been Atkinson’s (1984, 1987) ‘flexible firm’ model. While the model has endured substantial criticism, (Anderson et al., 1994; Burgess, 1997; Legge, 1995; Pollert, 1988; 1991), it has also shown remarkable longevity (Brewster et al., 1997; Proctor et al., 1994). The model’s resilience is due in part to Atkinson’s foresight in predicting the expansion of non-standard employment which has occurred in many European and other countries (Brewster, 1995). Atkinson also highlighted the growing importance of work and task reorganisation which has been a major feature of workplace change, especially in Australia in the 1980s and 1990s (Mathews, 1994). Finally, Atkinson noted the trend towards more flexible and market-based pay determination which reflects a more concerted effort by employers to link wages to output and market criteria (Kessler, 1995:259).

Our aim in this paper is to briefly revisit the Atkinson flexible firm model before offering our own interpretation of the major dimensions of workplace change occurring in Australia. We argue that there are three major dimensions of change in labour utilisation which have affected employees in Australia in the 1980s and 1990s. First, the work of Australians have been intensified as management has sought more output per worker. Second, the content of jobs has been expanding as employees have taken on more tasks in the cause of greater functional flexibility. Third, the work of full-time, part-time and other employees has become increasingly insecure as management have sought to exercise greater numerical flexibility.

Using data from a federal government survey we demonstrate the efficacy of our model and the type of negative effects these changes are having on employees. The paper also develops a conceptual model of labour utilisation that incorporates the three dimensions outlined above.

**ATKINSON’S DUALISM**

Like a number of other authors, Atkinson’s (1984, 1987) theorising about the workplace is based on a strict dualism. On one side, core workers, using new technologies, enjoy security of employment, promotion prospects, skill-based pay and possess multiple skills which provides employers with functional flexibility. On the other side, peripheral workers with a
narrow range of low skills, occupy precarious jobs and have their low wages held down by high unemployment levels. These workers are said to provide employers with the numerical flexibility to make rapid adjustments to changing market circumstances or customer demand. In effect, the latter is the mirror image of the former. The two sides of the dichotomy are meant to be internally coherent and mutually exclusive.

While the simplicity of this rigid dualism is undoubtedly appealing - and diagramatically convenient - it unfortunately tends to confuse rather than illuminate the study of workplace change. The first obvious line of criticism that could be advanced is to note that characteristics pertaining to the peripheral workforce may be found among core workers and vice versa. For instance, some peripheral workers may receive high pay, have secure employment or be multi-skilled. Alternatively, many full-time workers may work within a very detailed division of labour and show few if any characteristics of functional flexibility. Before long, the integrity of the oppositional schema begins to break down as the grey area between the two concepts expands.

Rather than relying on a strict binary opposition, we wish to extract from Atkinson’s model those element that we think are useful, add additional elements and then conceptualise them in another way. We would argue that there are three critical elements of workplace change which are affecting both full-time ‘core’ workers and the non-standard ‘peripheral’ workers. The first of these dimensions is work intensification - entirely absent from Atkinson’s model.

Just as functional and numerical flexibility represent forms of labour adjustment, so too does work intensification. In some cases they are substitutes for one another; for instance, as the demand for labour increases, rather than bringing in additional flexible workers, employers may simply make existing staff work harder. In other cases, work intensification may be the product of other changes such as the introduction of functional flexibility. Regardless of its source, we see work intensification a significant dimension of labour utilisation.

The second dimension is job broadening. This corresponds with Atkinson’s notion of functional flexibility and denotes the expansion in the task range of employees. We make no claims as to whether this represents either up-skilling or deskilling. Our contention is merely that Australian workers are increasing being expected to undertake a wider range of tasks. This applies to all workers and not just to the ‘core’ workforce, as Atkinson would have it.
The final dimension is insecurity. Atkinson quite rightly identified that the growth of non-standard employment would result in growing workforce insecurity. However, we would argue that growing insecurity of employment and income is not restricted solely to non-standard workers and now applies equally well to ‘core’ full-time workers.

The advantage of our approach is that it does not seek to achieve a neat distinction between core and peripheral workers based on mutually independent characteristics. It may be (and our evidence suggest this) that full-time workers may be experiencing a worse decline in their employment insecurity than part-time employees. By analysing employee perceptions of change along these dimensions we are able to discover the degree of independence and inter-relation between the dimensions. In the following main section we seek to establish that work intensification, job broadening and insecurity are significant dimensions of labour utilisation in Australia. In a subsequent section we explore our model using Australian federal government survey data.

WORK INTENSIFICATION: WORKING HARDER

While the issue of work intensification as a form of labour utilisation is neglected in Atkinson’s work, there is substantial evidence that Australian employers in the 1980s and 1990s have been intensifying work (Donaldson, 1996:64).

Doing more
A common employer strategy is to provide insufficient staff for an increasing workload. This strategy is ‘rife’ in the higher education sector as academics are expected to produce more research output, teach longer hours with more students and for no increase in real wages (Burgess and Strachan 1997:30). Similarly, Allan (1996;1997) concluded there was systematic work intensification in Queensland public hospitals in the 1990s as the government attempted to reduce waiting lists by increasing the throughput of hospital patients. Reeder (1988) also found evidence of employer speed-ups in the fast food industry. Further support for the wide-spread nature of this employer strategy can be found in the national survey of employer practices undertaken by Brosnan and Walsh (unpublished data). They found that approximately a quarter (27 per cent) of workplaces seeking to reduce labour costs relative to other costs simply made staff work harder.

In some cases, the speeding up or intensification of work has been associated with varying combinations of work study, tighter surveillance and disciplinary methods and the use of
performance-based pay. For instance, the introduction of engineered standards and computer performance monitoring in grocery warehouses in New South Wales was found to result in a substantial intensification of employee work effort (Lund and Wright, 1998). In two grocery warehouses, Lund and Wright (1998: 6) found that employee work rates had risen by between thirty-five per cent and seventy-five per cent after engineered standards had been introduced. Those workers who failed to achieve output targets were threatened with dismissal. Similarly, within the customer service division of the main telecommunications corporation, Long (1996: 16) noted that the work effort of employees organised was monitored by computer, including the time taken to respond to in-coming and out-going calls and take meal and toilet breaks. Computer-based monitoring of work is pervasive in Australian insurance, banking, airlines and vehicle repair industries (Long, 1996).

Additionally, employers may also utilise team-work and performance-related pay to intensify employee effort and to build-in closer surveillance (Barker, 1993). For instance, within one Australian service-based organisation, van den Broek (1997: 346-7) found that individual and team performance in responding to customer queries were logged and used to determine team bonus payments. Whiteboards were also employed to display the daily productivity of each team and team member. Such techniques placed considerable pressure on individual team members to conform to managerially determined performance levels, with workers rather than management sanctioning those team members believed to be shirking. In the Australian finance sector, Junor et al. (1993: 168) found that increased work pressure for part-time women workers resulted from the introduction of team working rather than increased discretion over work tasks or greater participation in workplace decision-making.

**Coping with less staff**

An alternative employer strategy is to not replace staff who leave thereby increasing the workload for continuing staff. A number of Australian case studies have found that increased work intensity was preceded by substantial reductions in workforce numbers, with greater effort levels demanded from remaining employees (Lansbury and Macdonald, 1992: 231; Junor et al., 1993: 101-3). Similar findings were reached by scholars using case study and survey method to study the effects of downsizing and delayering on middle managers in Australian organisations (Bramble et al., 1996; Littler, 1994; Littler et al., 1997). These academics concluded that the ‘survivors’ of downsizing and delayering exercises often have wider spans of control, work longer hours, have more responsibilities, manage more people
and undertake more work (Bramble et al., 1996:81; Cascio, 1993:99; Littler et al., 1996).
Indeed, Brosnan and Walsh (unpublished data), in their national survey, found that the most popular method of Australian employers seeking to reduce labour costs was simply to not replace staff who had left (42 per cent of workplaces).

In some cases, the intensification of work is a direct result of numerical flexibility strategies (Bagguley et al., 1990; O’Connell Davidson, 1990; Rees and Fielder, 1992; Stubbs, 1991). Contracting-out of government cleaning services, for example, may prove to be cheaper, but this is often accomplished by use of less staff (Quiggin, 1996). After the privatisation of the New South Wales Government Cleaning Service in 1994, Fraser found a widespread perception among cleaners that workforce numbers had reduced by between one third and two thirds. The volume of work, however, remained unchanged and was simply reallocated among remaining cleaning staff (1997: 27-41). The options for staff are to work more vigorously or to work longer hours especially where employers establish a ‘work to finish’ rule and place responsibility for completing daily workloads on employees (Heiler, 1996:126).

One indicator of how hard Australian workers are labouring comes from national statistics on the average hours worked per week by full-time workers. From the mid 1960s to early 1990s, average hours remained relatively constant, oscillating around 41 hours per week. By 1995, it had increased to 43 hours. At the same time, the average paid overtime hours declined: ‘This means that not only are people working longer, many are also working the additional hours for free’ (Buchanan, and Bearfield, 1997:8). This escalation of paid and unpaid working hours has occurred against a backdrop of continuing high levels of unemployment, under-employment and a significant growth of long-term unemployed (Richardson, 1997:16).

Of course, the intensification of labour exacerbates the potential for occupational health and safety problems. Studies of manual workers indicates that intensive and pressured work environments can lead to physical injuries such as lower back and other lifting injuries (Lund and Wright, 1998, 6), fatigue and painful arms, hands and fingers (Williams, 1993: 79). In both white- and blue-collar industries, the overall effect of greater work pressure may be work-related stress and anxiety, increased workers’ compensation claim, lower morale, job satisfaction and motivation and higher quit rates (Allan, 1997; Wright and Lund, 1996: 9-10; Bramble et al., 1996: 81; Littler et al., 1997:72). Unfortunately, occupational health problems
tend to be perceived by employers as resulting from individual worker negligence rather than arising from the system of work organisation (Heiler, 1996: 204-5).

Thus, despite its absence from Atkinson’s model, there is ample evidence of work intensification in Australia as a form of labour utilisation. In some cases it is simply a matter of employers expanding the volume of work for existing employees. Similarly, some employers are attempting to reduce the size of the workforce without a concomitant reduction in workloads. While a range of different workplace change strategies are being implemented by management, the effect is the same: employees are working harder. As such, work intensification needs to be considered one of the main dimensions of labour utilisation in Australia in the 1980s and 1990s.

**BROADENING TASK RANGE: MORE TASKS**

The second major dimension of labour utilisation has been the expansion of employees’ task range. This corresponds to functional flexibility which Atkinson saw as the province of the core workforce. Atkinson (1984, 1985) argued that these ‘functionally flexible’, or multi-skilled, workers perform a wide range of tasks and can be quickly and smoothly redeployed between activities and tasks to adapt to changes in product and process in the short and medium term. The growing importance of this type of functional flexibility has also been identified by other post-Fordist authors such as Kern and Schumann (1987), Mathews (1989a; 1989b) and Piore and Sabel (1984).

This type of labour utilisation has been particularly important in Australia in the 1980s and 1990s. As a result of National Wage Case decisions of the Australian Industrial Relations Commission between 1987 and 1989 employers and unions were encouraged to review both industrial awards and work practices to promote multi-skilling, career path progression, reduced demarcation, greater flexibility in work practices and management practices that encouraged consultation (Plowman, 1990: 39). While there is mixed evidence of the success of this programme, (Bramble, 1989; Curtain et al., 1992: 24-8; Frenkel and Shaw, 1989; Rimmer and Verisis, 1990; Rimmer and Zappala, 1988) it is beyond doubt that multi-skilling has been a central element of workplace reform in Australia.

The critical question, though, is what are the likely effects on workers of multi-skilling? Atkinson (1987) and Post-fordists (Kern and Schumann, 1987; Mathews, 1989a; 1989b; Piore
and Sabel, 1984) view this development in positive terms. They envisage that by expanding the task range of jobs, workers will become more skilled, and adroit in adapting to customer and production demands. More responsibility and autonomy in turn provides workers with greater motivation and satisfaction at work. Critics, in contrast, argue that likely effect of functional flexibility is work intensification (Elger, 1991; Junor et al., 1993; O’Donnell 1995; Pollert, 1991; Tomaney, 1990). We will attempt to assess these competing interpretations in the empirical section of this paper. For the moment it is suffice to say that we contend that job broadening is one of key dimensions of labour utilisation in Australia.

**NUMERICAL FLEXIBILITY: LESS SECURE**

One of the major strengths of Atkinson’s model is that it identifies the increasing tendency of management to utilise peripheral, atypical or non-standard forms of employment such as part-time, temporary, casual, contract and agency labour. In Europe, the evidence of expanding non-standard forms of employment is ‘incontrovertible’ (Aparicio I. Valerde, et al., 1997; also see Bronstein, 1991; Cordova, 1986; De Grip et al., 1997; Rodgers and Rodgers, 1989; Thurman and Trah, 1990). In Australia also, there is substantial evidence that the non-standard workforce is growing (Burgess and Ryan, 1997; Campbell, 1997; Lafferty et al., 1997; Lewis, 1989:21, 63-67, Romeyn, 1992). While part of the shift away from full-time employment can be attributed to cyclical, demographic and structural factors, there is also evidence that the changing structure of employment reflects the outcome of new business policies to achieve greater flexibility (Burgess, 1997; Rubery and Wilkinson, 1994).

Correctly, Atkinson highlighted what we would argue is one of the major dimensions of labour utilisation in the 1980s and 1990s: increasing precariousness or employment insecurity. Atypical employment forms are commonly characterised by insecurity in terms of income, employment and working-time. Indeed, the terms ‘precarious employment and ‘non-standard forms of employment’ are often used interchangeably (Treu, 1992). However, not all forms of non-standard employment are insecure - such as permanent part-time work. Equally, not all full-time employment is secure (Burgess and Campbell, 1997:6). Indeed, the 1994 Workplace Bargaining Survey (WBS94)\(^1\) showed that full-time employees were slightly more likely than part-time employees to consider their job security has declined in the previous year as a result of workplace changes (DIR 1995). ‘Permanent’ employees - 27 per

---
\(^1\) WBS94 is explained in the next section.
cent of whom said their jobs were less secure than a year ago - were more vulnerable than casual employees (13 per cent).\(^2\)

One of the weaknesses of the flexible firm model is that it masks the increasing insecurity of employment of ‘core’ full-time workers as well as atypical workers. In the 1980s and 1990s, Australian employees have been exposed to a range of changes and threats which have undermined security of employment. Chronic high levels of unemployment reduce workers’ employment choices and generate insecurity. Government endeavours to promote market liberalisation and micro-economic reform have heightened market pressures and reduced the viability of some sectors of the economy - manufacturing in particular (Quiggin, 1996). Security of public sector employment has been eroded by contracting-out, funding cuts, competitive tendering, privatisation, corporatisation and the adoption of private sector management practices (Rees and Rodley, 1995). Extensive downsizing and delayering in both public and private sectors has threatened the livelihood of both lower and middle level employees (Bramble et al., 1996; Littler, 1994; Littler et al., 1997). Workers face further threats from management efficiency initiatives such as total quality management, business process re-engineering, lean production and other change programmes (O’Donnell, 1995, 1996). The scope and intensity of these changes serves to remind all employees that they may be the next ones to lose their jobs. As such, we argue that the third dimension of current trends in labour utilisation is increasing employment insecurity.

THE EVIDENCE

Having made a case for the efficacy of our three dimensions of trends labour utilisation, we present empirical data based on 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).

\(^2\) Unpublished data.
We measured the three modes of labour utilisation by reference to four questions in that survey. 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 voluntarily working more hours simply in order to receive more pay, though by doing so it probably understates work intensification. We only count employees who had not changed jobs in the year preceding the survey. We do not count employees who responded ‘n/a’ or ‘don’t know’ to the relevant questions.

One of the limitations of this data set is that it only asks workers about changes in their working lives in the last 12 months. As noted in our previous discussion, Australian workers have endured a large number of changes over the previous decade, of which only the most recent will be captured here. To that extent, this data set may underestimate the degree of change affecting employees. A second limitation is that these measures are proxies rather than irrefutable indicators. Nevertheless, as shall be see, they are sufficiently salient to generate quite a powerful model.

---

3 Question 38b
4 Question 38j
5 Questions 38a, 22 & 19.
Our suggested conceptual model is presented in Table 1. The object of this typology is to identify the main *dimensions* of labour utilisation and the possible *combinations*. The former is displayed in the columns in Table 1 and the latter is displayed in the rows. We categorised the various possible combinations into four levels. First, employees experiencing no change in their working lives were labelled ‘stable’. Second, employees experiencing one type of change have been grouped under the title ‘simple change’. The three possibilities here are ‘broadening’ (more functional flexibility), ‘insecurity’, and ‘intensification’. The third level, labelled ‘complex change’, includes employees who have reported experiencing two types of change. The labels of the three possible alternatives used here are self-explanatory. Finally, there are those employees undergoing radical change - experiencing all three forms of change. The advantage of this model is that it allows us to examine the extent of independence and inter-dependence between the three dimensions of labour utilisation.

Table 2 summarises the results. The vast majority of employees (81 per cent) reported experiencing either one or more types of change in the last 12 months - only one sixth of employees were in the ‘stable’ group. This result is quite surprising, since employees only reported changes in the last 12 months, and indicates that most employees in Australia are experiencing ongoing changes at work. While approximately a quarter of employees experienced simple change, it was much more common for employees to report two or more

### Table 1: Typology of dimensions of labour utilisation

<table>
<thead>
<tr>
<th>Description</th>
<th>Increasing functional flexibility?</th>
<th>Increasing insecurity?</th>
<th>Work intensification?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stable</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Simple change</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Broadening</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Insecurity</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Intensification</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Complex change</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Broad insecurity</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Broad intensification</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Insecure intensification</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Radical change</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>
changes. Almost half of employees (42 per cent) reported complex change, with nearly a sixth of employees (15 per cent) in the radical change category. Broad intensification was the most widely reported type of change (34 per cent). This latter finding adds weight to the argument of the critical scholars that functional flexibility is typically associated with work intensification (Elger, 1991; O’Donnell 1995; Pollert, 1991; Tomaney, 1990).

<table>
<thead>
<tr>
<th>Table 2: Distribution of forms of labour utilisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type</td>
</tr>
<tr>
<td>Stable</td>
</tr>
<tr>
<td>Simple change</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Complex change</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Radical change</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>


These overall findings reinforces our contention that work intensification needs to be considered as an important dimension of labour utilisation. They also suggest, though, a strong link between broadening and work intensification, with these forms of adjustment occurring more commonly in combination than on their own. All up, about three fifths of employees report work intensification and three over fifths report job broadening. Increasing insecurity is less common: just 27 per cent report this, though this is over double the proportion (13 percent) who reported their job security had improved.

**IMPLICATIONS FOR EMPLOYEES**

**Increasing stress**
The effect that these types of changes are having on employees’ perception of stress is displayed in Table 3. A majority of employees reported increased stress over the past year.
There appears to be very clear relationship between perceived increases in stress and the complexity of change. Workers with stable work content experienced a low incidence (14 per cent) of increased stress. Approximately half of employees undergoing simple change had a higher incidence of increased stress (44-53 percent). The incidence of increased stress rose to roughly three quarters of employees experiencing complex change (70-82 per cent). Those undergoing radical change had a near universal experience (88 per cent) of increased stress.

Table 3: Proportion of employees reporting increased stress (per cent)

<table>
<thead>
<tr>
<th>Type</th>
<th>Label</th>
<th>Increased stress</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stable</td>
<td></td>
<td>14</td>
</tr>
<tr>
<td>Simple change</td>
<td>Broadening</td>
<td>49</td>
</tr>
<tr>
<td></td>
<td>Intensification</td>
<td>53</td>
</tr>
<tr>
<td></td>
<td>Insecurity</td>
<td>44</td>
</tr>
<tr>
<td>Complex change</td>
<td>Broad intensification</td>
<td>78</td>
</tr>
<tr>
<td></td>
<td>Broad insecurity</td>
<td>70</td>
</tr>
<tr>
<td></td>
<td>Insecure intensification</td>
<td>82</td>
</tr>
<tr>
<td>Radical change</td>
<td></td>
<td>88</td>
</tr>
</tbody>
</table>

(Workplace Bargaining Survey 1994, unpublished data, weighted estimates excludes employees in their job for less than a year)

At the micro level, the impact of any of the changes will vary between workplaces and depend on the specific character and extent of the change concerned. In aggregate, however, these findings imply that the number of changes experienced was more important than the type of change. With simple change, it didn’t matter whether the change took the form of increased insecurity or functional flexibility or work intensification - the impact was still that about half of employees reported increased stress. Likewise, with complex change, the incidence of increased stress was about three in four employees, regardless of which pair of changes was in evidence. This is a remarkable finding, especially given that our measures are simple proxies that cannot fully capture the detailed character or impact of changing labour utilisation practices at the workplace. These findings further reinforces the importance of treating work intensification as a separate mode of labour utilisation and demonstrates the efficacy of our model that identifies the inter-relationship between different types of change. They also point to a danger for employers: that the increasing stress that workplace change is putting on employees may lead to the burn-out of workers and the loss of some of the ‘gains’ that it is meant to have delivered.
**Damage to workers’ personal lives**

What of the impact of change on workers’ personal lives? A considerable amount of rhetoric from government and, to a lesser extent, unions, employer associations and some employers has been devoted to the promotion of policies to better balance work and family life. In the early 1990s a Work and Family Unit was established within the former Commonwealth Department of Industrial Relations. Increasing flexibility of working hours was said to make it easier to achieve an appropriate balance between work and family life. Yet the trends we have discussed appear to make achieving this balance more difficult, not easier. The WBS showed 13 per cent of employees were now more satisfied with the balance between their work and family lives than they had been a year earlier, but that 30 per cent said that their satisfaction had declined (Morehead et al 1997:583; DIR 1996:151). And increasing dissatisfaction with the work and family balance was associated with each of the trends in labour adjustment that have been the subject of this paper. As shown in table 4, amongst employees in stable positions, just 11 per cent reported declining work/family satisfaction. Where simple change was occurring, 21 to 31 per cent reported declining satisfaction. With complex change the figures were 30 to 40 per cent, and amongst employees experiencing radical change some 58 per cent reported declining satisfaction with their work/family balance.

We might have expected, and would have been correct in doing so, that increasing work/family dissatisfaction would be associated with work intensification. What we might not have expected, however, was that work/family dissatisfaction was also deep when employees were experiencing increasing insecurity (and, of course, greater again, when they experienced both intensification and increased insecurity). This suggests that the impact of labour adjustment strategies on employees’ personal lives is not just explicable in terms of the effect that it has on the time workers have available to spend with their families.
The labour utilisation strategies of management are also deleteriously affecting workers’ personal lives through the impact they have on workers’ stress levels and psychological health. Increased stress is strongly related to increased dissatisfaction with the work and family balance. So when insecurity, job broadening and work intensification lead to increased stress levels, they also lead to problems in workers’ personal lives. This is apparent in WBS, and it is also apparent in the 1995 Australian Workplace Industrial Relations Survey (AWIRS), which tells us more about stress in employees and the link with work and family matters. In AWIRS, employees were asked whether they had suffered any work-related illnesses or injuries in the year preceding the survey, and what the nature of that injury or illness was. Some 5 per cent of all employees reported a work-related stress illness - a disturbingly high proportion in itself. As shown in the first column of Table 5, 55 per cent of workers who experienced work-related stress illness said that their satisfaction with the work/family balance had gone down. Many other employees reported higher stress without it reaching clinical proportions, and as shown in the next column of Table 5, even this less serious form of increased stress was strongly associated with deterioration in the balance between workers’ work and family lives, by comparison with the effects on other workers (shown in the last two columns). And, as we would expect from Table 3, the incidence of work-related stress illness was higher amongst workers who reported an increase in effort in their job (6 per cent) than in those who reported no change in effort (3 per cent), and higher

6 AWIRS was a survey of 2000 workplaces with an accompanying survey of 19000 employees, conducted in 1995-96. The survey is discussed in detail by Morehead et al (1995).

Table 4: Proportion of employees reporting declining satisfaction with balance between work and family life (per cent)

<table>
<thead>
<tr>
<th>Type</th>
<th>Label</th>
<th>Declining satisfaction with balance between work and family life</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stable</td>
<td></td>
<td>11</td>
</tr>
<tr>
<td>Simple change</td>
<td>Broadening</td>
<td>21</td>
</tr>
<tr>
<td></td>
<td>Intensification</td>
<td>24</td>
</tr>
<tr>
<td></td>
<td>Insecurity</td>
<td>31</td>
</tr>
<tr>
<td>Complex change</td>
<td>Broad intensification</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>Broad insecurity</td>
<td>36</td>
</tr>
<tr>
<td></td>
<td>Insecure intensification</td>
<td>40</td>
</tr>
<tr>
<td>Radical change</td>
<td></td>
<td>58</td>
</tr>
</tbody>
</table>

(Workplace Bargaining Survey 1994, unpublished data)
amongst those who agreed that they felt insecure about their future in their job (8 per cent) than amongst those who disagreed (3 per cent). 7

The damage that changes in labour utilisation strategies do to workers extends beyond the impact they have on workers’ use of time, and encompass their impact on the psychological well being of workers. The distress arising from insecurity at work and other forms of adjustment is transmitted into patterns of dysfunctional behaviour in workers’ personal lives which affect the quality of their interactions with their families and friends.

Table 5 Stress and increasing dissatisfaction with the balance in work and family lives

<table>
<thead>
<tr>
<th>Change in satisfaction with balance between work and family lives</th>
<th>Did not suffer work-related stress illness in previous 12 months</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Suffered work-related stress illness in previous 12 months</td>
</tr>
<tr>
<td>increase</td>
<td>9</td>
</tr>
<tr>
<td>no change</td>
<td>35</td>
</tr>
<tr>
<td>decrease</td>
<td>55</td>
</tr>
<tr>
<td>don’t know</td>
<td>1</td>
</tr>
<tr>
<td>total</td>
<td>100</td>
</tr>
</tbody>
</table>

(Source: Australian Workplace Industrial Relations Survey 1995, unpublished data.)

Dissatisfaction with management
Given the nature of changes occurring at the workplace, it is not surprising that there has been a decline in employee satisfaction with management. In 1994, 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 this data is shown in Table 6. Thirty per cent of employees reported a decline in satisfaction with management even though there was no change in the three forms of utilisation.

Employee dissatisfaction with management roughly doubles if employees perceive job insecurity. Coupled with the other results, this suggests that employees may be prepared to

7 Unfortunately, AWIRS did not collect data on changes in insecurity or job broadening - this is why it was not used for the main part of this paper - but it did collect data on the level of perceived insecurity of employees.
accept more onerous work, so long as they have prospects of continuing employment. These results also reinforces our argument that insecurity of employment is a critical dimension of labour utilisation affecting both standard and non-standard workers.

However, on first glance at Table 6 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 seemed curious given that employees reported high levels of stress due to these changes. It might suggest that employees are generally unwilling to blame management when their work is intensified or their jobs broadened.

Table 6: Proportion of employees reporting declining satisfaction with management (per cent)

<table>
<thead>
<tr>
<th>Type</th>
<th>Label</th>
<th>Declining satisfaction with management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stable</td>
<td></td>
<td>25</td>
</tr>
<tr>
<td>Simple change</td>
<td>Broadening</td>
<td>32</td>
</tr>
<tr>
<td></td>
<td>Intensification</td>
<td>31</td>
</tr>
<tr>
<td></td>
<td>Insecurity</td>
<td>67</td>
</tr>
<tr>
<td>Complex change</td>
<td>Broad intensification</td>
<td>36</td>
</tr>
<tr>
<td></td>
<td>Broad insecurity</td>
<td>72</td>
</tr>
<tr>
<td></td>
<td>Insecure intensification</td>
<td>60</td>
</tr>
<tr>
<td>Radical change</td>
<td></td>
<td>71</td>
</tr>
</tbody>
</table>

(Workplace Bargaining Survey 1994, unpublished data)

But why would management be let off so easily by employees when work is intensifying? The answer lies in the way in which work intensification is brought about - that is, whether management uses strategies of consent or control to intensify work. To elaborate this point, we conceptualise employees as falling into one of three categories: those who perceive employee consent as becoming more important to management, those who perceive control as being tightened, and those who see no change in the degree of consent or control.

Our practical application of this typology is to develop a four-item index of control (α=.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 with a score of 0 being added when employees report an item as going up, 1 when there is no change and 2 when it has gone down. Hence the lowest score on the index, 0, is associated with high consent and is recorded when employees report each item going up; the highest score, 9, achieved when each item declines, indicates the greatest extension of managerial prerogative, and the median score, 5, 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 consent (ie an improvement in at least one of the items) and 35 per cent indicate a decline in consent and an increase in managerial prerogative (ie a deterioration in at least one of the items).

As can be seen from Figure 1, there is a very strong relationship between changes in the degree of consent and changes in management-related dissatisfaction. Employees indicating increased consent are not very likely to report increased dissatisfaction with management. Employees indicating declining consent, and increased exercise of managerial prerogative, are very likely to report increasing dissatisfaction with management and, as managerial prerogative grows, employee dissatisfaction with management also grows. When we control for perceptions of managerial control, work intensification and job broadening have a strongly significant impact on dissatisfaction with management.⁸

---

⁸ This is based on OLS and logistic regressions using dichotomous variables for broadening, intensification, increasing insecurity and growing dissatisfaction with management, and the 7-point index of management control. All explanatory variables were significant at the 1 per cent level in both equations. For the OLS equation, adjusted $r^2 = .39$. 18
We also found a strong positive relationship between increasing insecurity and increasing managerial control. But a quite different pattern emerges regarding work intensification and job broadening. Figure 2 shows the relationship between these two dimensions of change in labour utilisation and changes in managerial control. Work intensification (and job broadening) is most common both where management substantially increases direct control and where management significantly increases employee consent though the delegation of decision making, the improvement of information flows, the extension of employee control over hours worked and more cooperative managerial styles. These U-shaped curves reveal the existence of two quite distinct ways in which work intensification (and job broadening) commonly takes place.

9 Amongst employees with the lowest score (ie the largest improvement in consent), only 11 percent reported increasing insecurity; amongst those with the highest score (the largest increase in managerial control) 71 percent reported increased insecurity.
For about two fifths of employees experiencing work intensification, this takes place in the context of increased managerial control. This is the sort of work intensification we see when management increases monitoring of the workforce and ratchets up the target number of ‘swipes’ in a supermarket or the target number of ‘sales’ in a call centre.

But for another two fifths of employees experiencing work intensification, it takes place in the context of increasing employee control. 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 organisation 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 - who fall almost half way between the two. But the closer we get to an extreme scenario - of strongly increasing direct managerial control or strongly increasing employee consent - the more likely we are to see the intensification of work.
It is this interaction between work intensification and shifts in managerial control that explains why work intensification (like job broadening) does not have an obvious impact on dissatisfaction with management in the data of table 6. For many (but not most) employees, work intensification is brought about by changes in work organisation 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

The paper argues that the adoption of more flexible labour polices has been a major feature of work and employment restructuring in the 1980s and 1990s. The increasing demand from employers for increased labour flexibility can be linked to increased competitive conditions precipitated by globalisation, market liberalisation and the availability of new technologies. One of the most popular models attempting to describe the key elements of this change process is Atkinson’s flexible firm model. A weakness of this model, though, is that it ignores work intensification. Further the use of a static dichotomy between ‘core’ and ‘peripheral’ workers does little to inform us about the direction of workplace change. We propose a new model of changes in labour utilisation that complements Atkinson’s by focusing on employer change strategies rather than the formal status of workers.

We argue that there are three main dimensions of changes in labour utilisation: work intensification; job broadening; and increasing employment insecurity. These dimensions are affecting both standard ‘core’ workers and non-standard ‘peripheral’ workers. Reviewing pre-existing case study and survey data, we content that there is abundant evidence to substantiate that Australian employees are being affected along all three dimensions. Using survey data from an Australian federal government study of workplace change, we analysed employee perceptions of changes to these forms of labour utilisation. The results indicate that employees are indeed being affected by differing combinations of these dimensions and are experiencing increased work intensity, a broadening of their jobs, greater job insecurity and, as a consequence, high stress levels, lower levels of satisfaction with management and a deterioration in their personal lives. Each form of labour adjustment increases worker stress, by broadly similar magnitudes, and almost all workers who are experiencing each form of labour adjustment are also experiencing increased stress levels. Moreover the adverse impact
on workers’ personal lives is not just a result of the reduced time that they have for non-work activities. It is also a consequence of the increased stress that is being brought about by changes in labour utilisation - particularly the increasing insecurity of work - and which is being carried from work to the domestic sphere.

This is not to say that all these changes 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 control over their own working lives. But in the face of a shifting balance of power away from workers associated with globalisation, the deregulation of markets and the decline in union power, the notion of employee ‘will’ is problematic. Whether management chooses a ‘control’ or ‘consent’ 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 clearly associated with the changes to labour utilisation that are favoured by employers, we have to wonder how sustainable these trends can be.
References


Brosnan P and Walsh P. Unpublished data from a Labour Flexibility survey, Australian, New Zealand and South Africa.


Littler C., Bramble T. and McDonald J. (1994), *Organisation Restructuring: Downsizing, Delayering and Managing Change at Work*, Industrial Relations Research Series Number 15, Department of Industrial Relations, AGPS, Canberra.


