Development of sustainable work – possibilities and constraints

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A series of crisis creates a need for new sustainable solutions

An economic crisis
- Stagnation of growth
- Increasing competition
- Uncontrolled financial sector
- Limits for taxation
- Lack of funding for the welfare society

A social crisis
- Inequality
- Unemployment
- Exclusion from the labour market
- An aging population
- Increasing number of refuges

An environmental crisis
- Global warming
- Scarcity of resources
Labour market challenges

• **Rapid organisational and technological changes**
  - More for less
  - Restructuring of workplaces
  - Rationalisation and cost reduction
  - Outsourcing and offshoring

• **Changes in ownership**
  - Competition for return on investment
  - International ownership
  - Complex ownership structures
  - Temporary organisations

• **Changes in employment**
  - Temporary and part-time
  - Competition from migrating workers
  - Competition from low salary countries
  - Free agents
The neoliberal answer: More market and less state

Consequences:
- Increased inequality with unemployment and working poor
- Uncontrollable financial speculation
- A hazardous work environment and exclusion of workers
- Unimpeded consumption of fossil energy
- Production at the expenses of environment and resources

But at the same time:
- Globalisation and increasing competition cannot be wished away
Sustainability as an alternative

• Economic:
  – A private business is viable in the long term
  – A public organisation secures funding through political legitimacy

• Social:
  – Work contributes to health and well-being as well as develops qualifications
  – Jobs are inclusive and diverse

• Environmental:
  – Production secures environment for the next generations
Sustainable work

- A vision for work
  - Creating value which is securing survival of the workplace
  - Securing mental and physical health
  - Supporting development of qualifications and possibilities

- Developed from the socio-technical ideas
  - Content of work (variation)
  - Learning
  - Discretion at work
  - Respect
  - Work useful for others
  - Perspectives for the future

Trist & Bamfort 1951, Thorsrud & Emery 1969
Supported by a general trend in organisation and management

- Technology replaces routine work and leaves work tasks based on judgement
- Work tasks get more complex and require more horizontal relations

Traditional governance principles get insufficient:
- Market: Purchase and sale of products and services
- Bureaucracy: Roles and tasks established in advance

Collaboration as the new principle:
- Human beings have a need to contribute to something outside themselves and to achieve recognition from other people
Ressources for new sustainable models: forms of capital

- Physical capital (Buildings, machines, infrastructure, natural resources)
- Economic capital (Money)
- Human capital (Competences, qualifications)
- Social capital (The ability to collaborate)
- Cultural capital (Institutions, understandings)

Capability for sustainable transformation
Development of sustainable work

Integration of productivity, quality and well-being of employees

Core task

Structures

Processes

Social relations
The foundation: the core task

- All organisations have a core task – the reason for existence
- Contribution to the core task is crucial for both productivity and well-being
- The core task is neither simple nor unambiguous
- Development of shared understandings between management and employees and across professions and units decisive for engagement and collaboration
- Each individual needs to make sense of his or hers contribution and to have a voice in the development of shared understandings
- The understanding of the core task is developed through both dialogue and concrete work
Can a shared understanding of the core task be developed?

What do you do?

I am carving stone.
But also risk of abuse!

We are not just a slave ship – we are one big family pulling on the same oar.....

The day after the first management course in the world
The first pillar: Social relations

• Development and coordination of social relations crucial for joint understanding of the core task and recognition of differences in understandings

• Not only between professions and organisational units but also with network of stakeholders

• Dialogue and involvement at all levels facilitate development of social relations

• Social relations facilitates collaboration for both efficient operation and well-being

• Social capital is the resource developed through social relations
Organisational social capital

- A simple definition:
  - “Features of social organisation such as networks, norms, and social trust that facilitate coordination and cooperation for mutual benefit” (Putnam 1995)

- A resource used every day to make organisations work
- Partly hidden - in the way that it is taken for granted and not explicitly nurtured
- A high level of social capital is associated with high productivity, high quality and well-being of employees
Social capital requires trust in each other, fair treatment and capacity to collaborate.
The second pillar: processes

• From:
  – Parallel professional and unit tasks based on a resource view
• To:
  – A linked flow of tasks where focus is on the needs of the next step in the process

• Lean provide key tools

• An ongoing discussion of lean:
  – Lean developed in the American auto industry and from the beginning criticised as ‘lean and mean’
  – Reviews of the literature point towards lean as an open concept and effects depending on corporate strategy and industrial relations (Hasle et al 2012)
No trend towards impaired working environment from lean

A Danish sample of 10 companies

Bojesen et al 2010

Stress (Follow up)

Level of LEAN
## Changes in the psychosocial work environment after lean

<table>
<thead>
<tr>
<th>Change in psychosocial working environment</th>
<th>Company</th>
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</thead>
<tbody>
<tr>
<td>Positive</td>
<td>Bank</td>
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<tr>
<td></td>
<td>Product design</td>
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<tr>
<td></td>
<td>Logistics</td>
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<tr>
<td></td>
<td>Elder care</td>
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<tr>
<td>No change</td>
<td>Cancer department</td>
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<td>Surgery department</td>
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<td></td>
<td>Construction material</td>
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<tr>
<td></td>
<td>Machine building</td>
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<tr>
<td></td>
<td>Sewage works</td>
</tr>
<tr>
<td>Negative</td>
<td>Accounting Institute</td>
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</tbody>
</table>

Bojesen et al 2010
Possibilities in lean

• The core of lean is the creation of value for the customer
  – A powerful tool for rationalisation (removal of waste)
  – But also a link to core task, meaning of work (doing something which is useful for others) and to social capital (working together solving a joint task)

• Useful tools and methods in lean which can create insight in the work process
  – Value stream mapping, kaizen, visual management (lean notice boards) and teams

• In Denmark studies indicate that employee participation in lean is widespread (but not always)
The roof: structures

- The skeleton which makes processes and social relations possible
- Division of work, physical environment, organisational units, rewards, recruitment, meetings, information system etc
- Enabling bureaucracy

- Support relations and processes:
  - Meetings across professions to support relational coordination and flow by discussing today's tasks
  - Recruitment and competence development to support respect for other professions and orientation towards shared tasks
  - Systems to facilitate development of networks across organisational boundaries
A need for standards and bureaucracy

<table>
<thead>
<tr>
<th>Technical structure</th>
<th>Social structure</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Low level of bureaucracy</td>
<td>Enabling</td>
<td>Organic</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>Coercive</td>
<td></td>
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<tr>
<td>High level of bureaucracy</td>
<td></td>
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</tbody>
</table>

Adler, 1999
# The coercive versus enabling bureaucracy

<table>
<thead>
<tr>
<th>Coercive</th>
<th>Enabling</th>
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</thead>
<tbody>
<tr>
<td>Focus on performance standards to highlight poor performance</td>
<td>Focus on best practice supported by performance measures</td>
</tr>
<tr>
<td>Standards to minimize gameplaying and cost monitoring</td>
<td>Customization of standards to different experience and improvisation</td>
</tr>
<tr>
<td>Design to keep employees out of control loop</td>
<td>System provide for employees control of own work – transparency to understand interconnection</td>
</tr>
<tr>
<td>Standards are instructions to follow not challenge</td>
<td>Standards are best practice templates to be improved</td>
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Standards (or in lean words: standard operating procedures) are necessary. The question is how they are used.
The collaborative organisation – a model for sustainable work

**Social relations:**
- Social capital
- Dialogue
- Networks

**Core task**
- Shared understanding
- Different contributions

**Processes**
- Lean
- Value stream mapping
- Kaizen

**Structures:**
- Division of work
- Procedures
- Goals
- Rewards
- Meetings
- Information

**Performance**
- Productivity
- Quality
- Well-being

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A strategic choice: “You can't have your cake and eat it”

Building on the sustainability model:
- Social contract
- Long term profit
- Trust in others’ contribution
- Equality with low power distance
- Society support in case of social and health problems

Building on the neoliberal model:
- Top-down control
- Short term profit
- Numeric flexibility with temps
- Decreasing salaries
- Reduction in social security

But what about work intensification and stress?

Employees:
- Co-ownership to shared goals
- Engaged and committed
- Self-dependence

Employees:
- Focus on self-interest
- Indifference
- Cynicism and burn out

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The need for a balanced strategy

Risk

Health and safety regulation

Management engineering

Work task & operations

Ergonomics?

Well-being

Human resource management

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Thank you for your attention

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