

The Workplace in Recession: Working Conditions and Well- being

Helen Russell &
Frances McGinnity

*Work in progress, please do
not cite. Comments welcome.*



Outline of Presentation

- Debates on Working Conditions and Well-being
- Work Pressure and Recession
- The Irish Context: From Boom to Bust
- The Survey of Employees and the Changing Workplace
- Changes in work pressure
- What factors influence work pressure? Impact of Recession
- Summary and Future Research Directions

Debates on Working Conditions and Well-being

- Several decades of research has considered the impact of job characteristics for people's experience of work and their well-being (Kalleberg, 1983; Crompton et al, 1996; Gallie, 2007)
- Research has focused on the impact of job characteristics such as skill (Capelli et al., 1997); autonomy/control (Gallie et al 1998); HPWP (Appelbaum et al 2000); job security (Burchell et al 2002; Scherer, 2009) and working hours (Hakim, 1991, 1996)
- Well-being most commonly measured as either job satisfaction, commitment, work-family conflict or work pressure.

Why work pressure?

- Work pressure is a key indicator of employee well-being
- It is also associated with a wide range of psychological distress measures and physical health probs (Wichert, 2002)
- Work pressure is strongly linked to work–life conflict (Gallie and Russell, 2009; McGinnity and Calvert, 2009)
- Work pressure therefore has important implications for employees' physical & mental wellbeing and reduced pressure has benefits for employers through reduced absenteeism and increased organisational commitment (Burchell et al., 2002).
- Work pressure may be a crucial way in which the recession impacts quality of life - for those who still have jobs.

Work Pressure and Working Conditions

- Job Insecurity – where workers feel immediate threat to jobs, work pressure is higher (Gallie 2005)
- Working hours shown to be linked to pressure, esp very long working hours (Gallie et al 2008)
- High paid (high skilled) usually high pressure (McGinnity/ Calvert), though pay cuts may have opposite effect
- High responsibility usually increases pressure (Capelli et al)
- High autonomy/decision-making, higher pressure (Gallie)
- Closer supervision associated with greater pressure

Effects of recession on pressure: hypotheses

DIRECT IMPACT OF RECESSION

- **Company Restructuring** – staff cuts, restructuring of tasks may increase work pressure.
- Growing **job insecurity** likely to increase stress, uncertainty and psychological strain experienced by workers and work pressure
- Deterioration in conditions, e.g. fall in hourly **pay** may increase pressure
- Reduced **working hours** likely to decrease job pressure

IMPACT THROUGH WORKPLACE CHANGE

- **Responsibility** – staff cuts may mean increased responsibility for those left in employment and an increase in pressure
- **Autonomy** – reduced numbers/inc decision making/inc pressure
- **Monitoring** – increased monitoring may increase pressure

Economic Context: From Boom to Bust

- The survey was conducted March-June, 2009
- Previous survey collected in 2003 in midst of economic boom.
- Severe economic and labour market crisis
- GNP contracted by 2.8% in 2008, 10% in 2009
- Employment fell by 4% in 2008 and 8% in 2009
 - Losses concentrated in construction but widespread across the private sector
- Budget crisis
 - Deficit of 7% in 2008 and 12% in 2009
 - Spending and wage cuts in public sector

Context: Principle Developments in the Labour Market (2003-2009)

	<i>2003, Q2</i>	<i>2009, Q2</i>
Employment rate (% pop 15-64)	65.2	62.5
Male employment rate (%)	74.9	67.3
Female employment rate (%)	55.5	57.8
Female share of total employment (%)	42.0	45.7
Part-time employment (% of total)	16.8	21.0
Male part-time employment (%)	6.6	10.3
Female part-time employment (%)	30.9	33.6
Unemployment rate (% labour force)	4.6	12.0
Mean working hours (weekly, NCPP data)	37.6	35.1

National Workplace Surveys of Employees

2009 Survey (Main source)

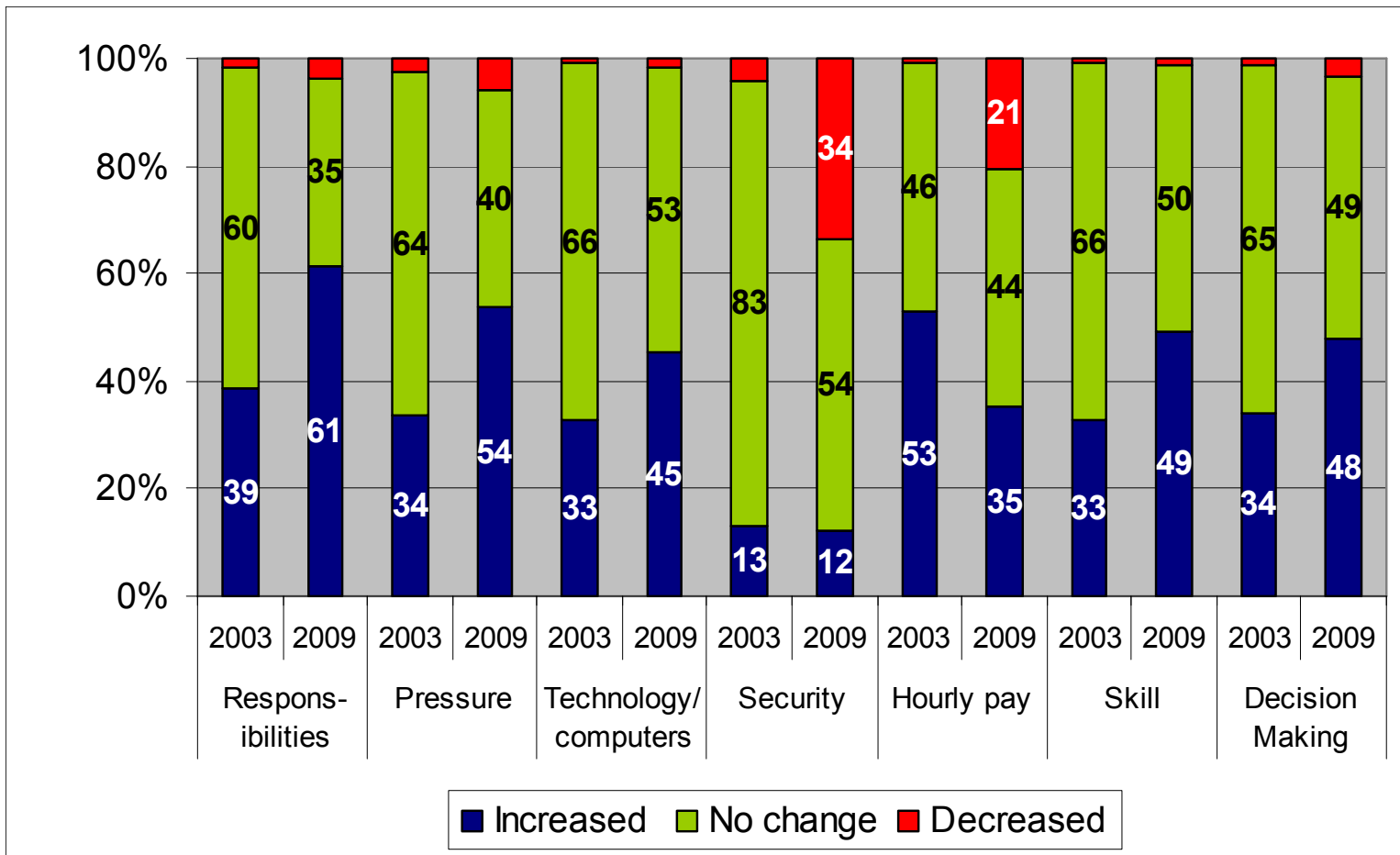
- Telephone survey of 5,110 employees
- Fieldwork by Amárach Research, March-June 2009
- Response rate: 50%; Reweighted using QNHS

2003 Survey (Also used)

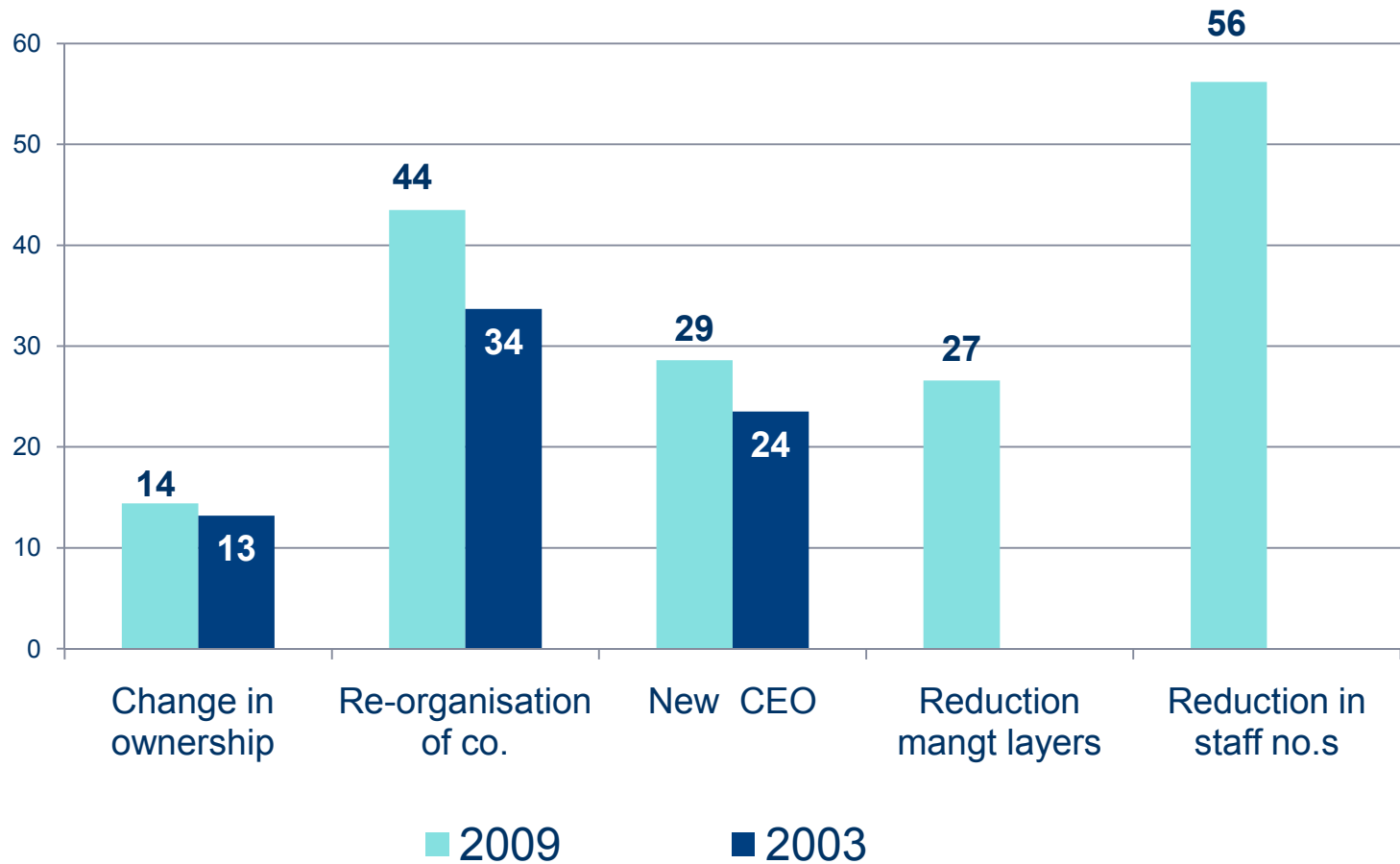
- Telephone survey of 5,198 employees
- Fieldwork by ESRI June-Sept 2003
- Response rate: 47%; reweighted.

Both funded by the NCPP, reports can be downloaded at <http://www.ncpp.ie/inside.asp?catid=286&zoned=3>

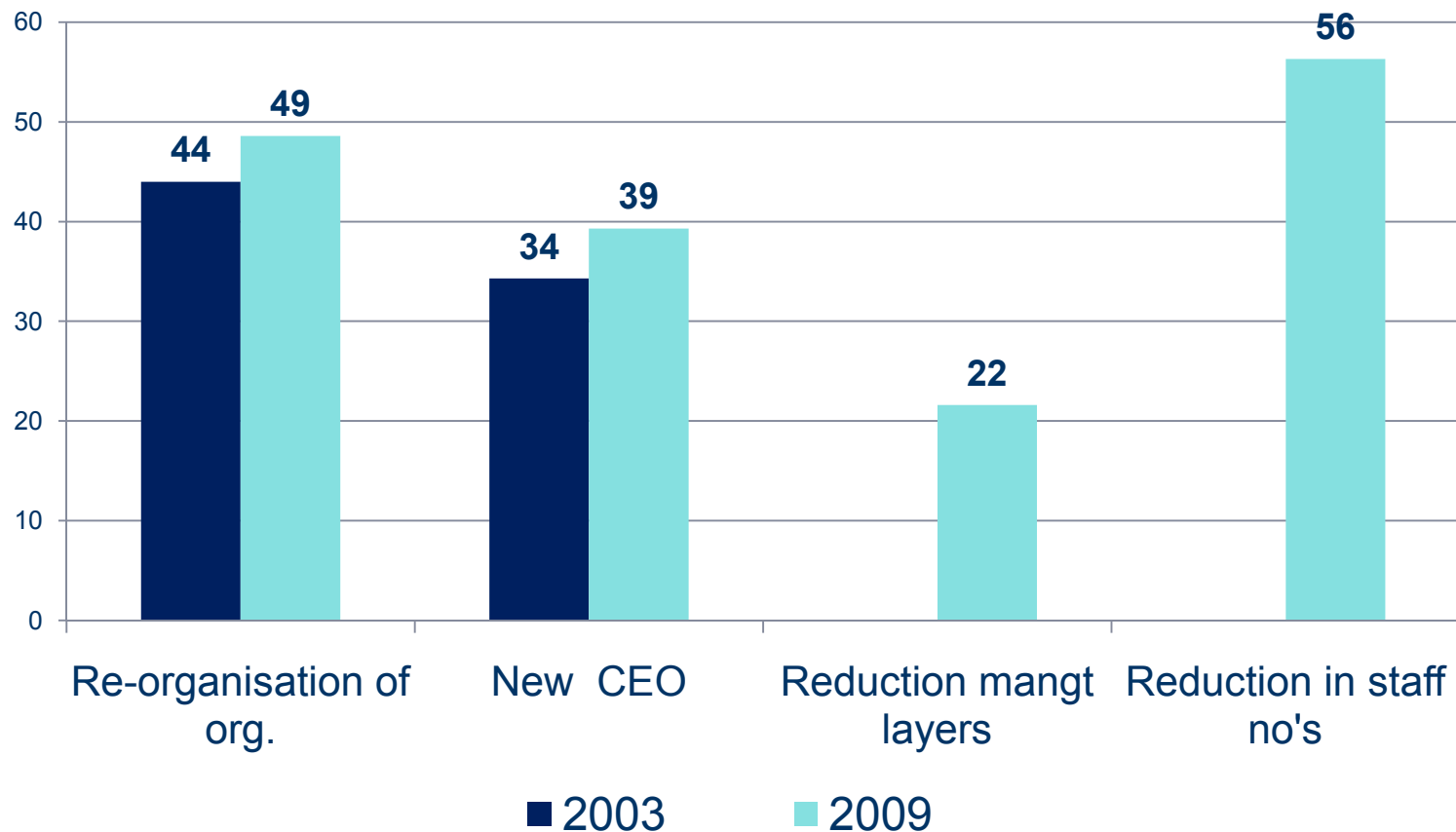
Experience of change in job in last two years, 2003 and 2009



Experience of Change in Organisation in last 2 yrs, Private Sector



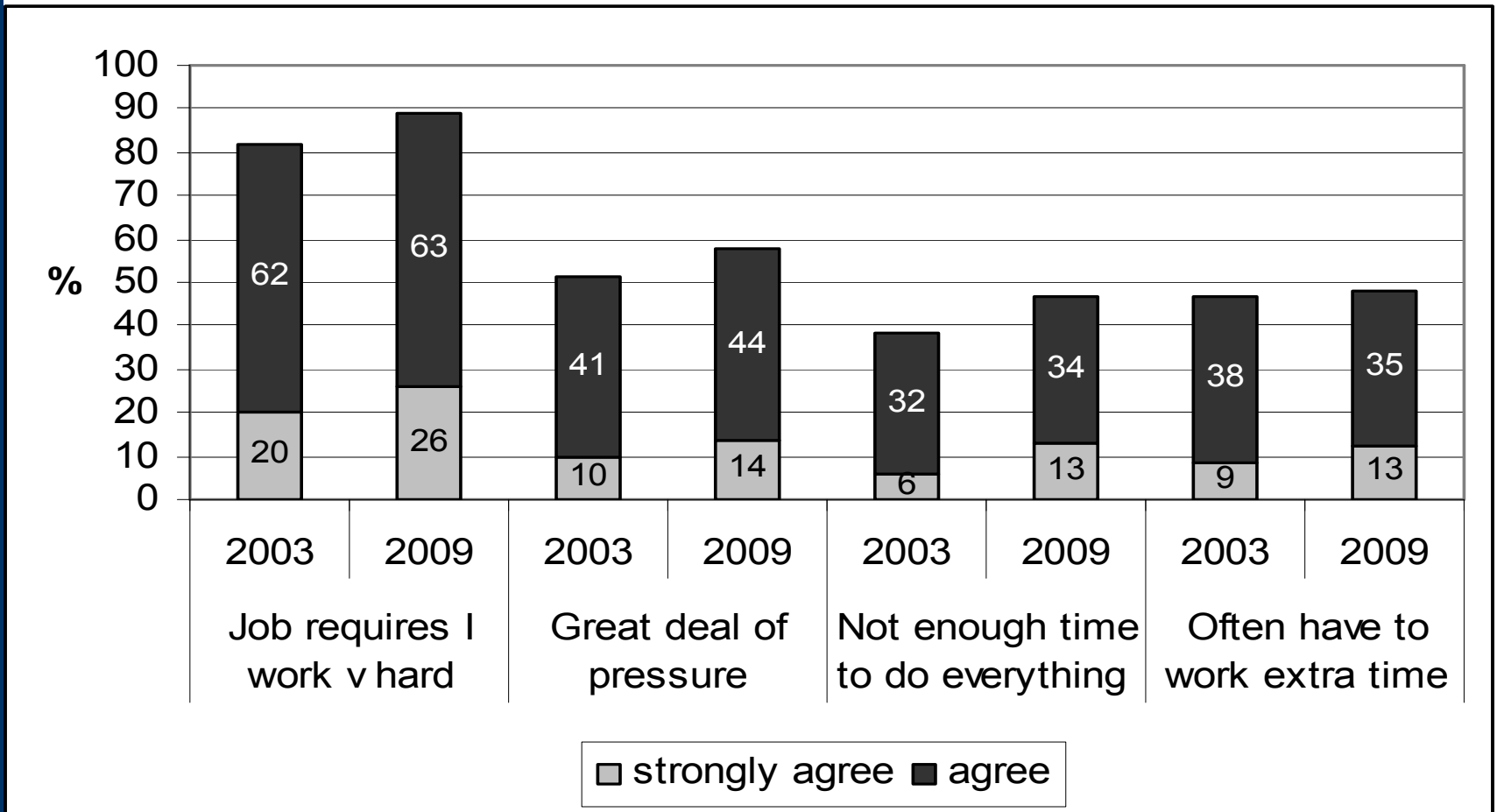
Experience of Change in Organisation in last 2 yrs, Public Sector



Job Pressure Measure

- Four Likert items (strongly agree to strongly disagree)
 1. My job requires that I work very hard
 2. I work under a great deal of pressure
 3. I never seem to have enough time to get everything done in my job
 4. I often have to work extra time over and above my formal hours to get through the job or help out
- Items 1 and 2 general pressure (captures both mental and physical effort); Items 3 and 4 capture time pressure
- Scale: -2 to +2; Mean=.29, Alpha=.7

Change in Work Pressure 2003-2009



Analytic Strategy

- Estimate a linear regression model of factors associated with current work pressure (-2 -+2) in 2009, results presented on 3 slides
- First present selected effects of gender, occupation, working hours, insecurity on work pressure (other effects not shown)
- Then present effect of organisational restructuring on pressure
- Then present effect of changes in past 2 years on insecurity, pay, responsibility, autonomy, monitoring.
- Broaden the analysis by looking at effect of changes on job satisfaction, organisational commitment and work-life conflict, present summary models.

(1) Work Pressure - Selected Effects

Selected effects	Coefficient	Significance
(Constant)	-0.633	.000
Female	0.142	.000
Weekly working hours	0.014	.000
Public sector	0.101	.003
Professional	0.139	.001
Technical	-0.01	.819
Clerical	-0.118	.003
Craft	-0.008	.859
Service	0.001	.981
Operatives	-0.24	.000
Other occupations	-0.153	.006
Consultation score	-0.063	.000
Gross weekly earnings (log)	0.061	.009
Insecure (a little)	-0.011	.717
Insecure(a lot)	0.161	.004

(2) Work Pressure - Impact of Company Restructuring

Selected effects	Coefficient	Significance
(Constant)	-0.633	.000
New CEO in past 2 years?	0.012	.660
Staff cuts in past 2 years?	0.064	.011
Reorganisation in past 2 years?	0.037	.161

Note model also includes (1) factors listed above and (2) effect of other changes in past 2 years (see below)

(3) Work Pressure in Recession, effect of changes in last years

Effects of change in last 2 yrs Reference: no change in last 2 yrs	Coefficient	Significance
(Constant)	-0.633	.000
Security up	0.055	.139
Security down	0.004	.906
Pay up	-0.11	.000
Pay_down1	-0.067	.077
Pay_down2	0.193	.000
Responsibility up	0.222	.000
Responsibility down	0.061	.347
Autonomy up	0.125	.000
Autonomy down	-0.103	.131
Monitoring up	0.072	.019
Monitoring down	-0.099	.011

Summary of Work Pressure Findings

Hypothesis	Findings
Staff cuts – inc pressure?	Yes
Reorganisation	No effect if add other changes
High Insecurity, high pressure	Yes, but effect only for current insecurity, not change
Lower Pay, higher pressure	Yes, but effect only for large drops in pay
Responsibility higher, press higher	Yes
Autonomy higher, pressure higher	Yes
Monitoring higher, pressure higher	Yes

Summary of findings

- Significant increase in work pressure between two big workplace surveys and strong perception of increased pressure within jobs
- High proportion experience negative change in previous 2 years
- Current insecurity strongly impacts on work pressure
- Staff cuts increase work pressure
- Big pay cuts, increases in responsibility, autonomy and monitoring increase work pressure

Directions for future research

- Explore the impact of other workplace practices on work pressure. Is there a way of managing change that has a less negative impact on well-being?
- More explicitly compare the 2003 and 2009 surveys, i.e. estimate consistent models over time. Has impact of factors changed?
- This is a very rich data source for exploring workplace change, and having 2 data sources offers excellent potential for further analysis.