'Performance Management – the new workplace tyranny'

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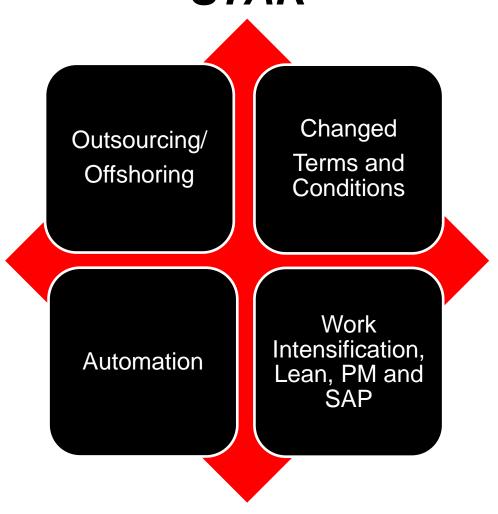
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Introduction

- In tandem with ConDems' erosion of worker rights…

- …a managerial '*offensive*' on the front-line of work as workers are pushed ever more onto the defensive

- One-sided - i.e. managerially generated - conflict that is causing enormous distress and insecurity

- This offensive has at least three elements – *Performance Management, Lean, Sickness Absence Management* – often integrated

- Synthesis of evidence from continuous and diverse research projects – suggests sectoral convergence

Employers' Cost Reduction Strategies 'STAR '

- Outsourcing/ Offshoring
- Changed Terms and Conditions
- Automation
- Work Intensification, Lean, PM and SAP

Lean, Performance Management and Work Intensification

- Most important from the perspective of unions, their members - those 'survivors' of the job cull

- Integrated managerial offensive that is squeezing increasing amounts of effort out of workers

- Cost-cutting strategies being translated into an unprecedented ***intensification of work***

- Restructuring, re-engineering ,'lean', creative synergies

- Equivalent or larger volumes of work being done with the same or - more likely - smaller workforces

- Sheer intensity of labour during working shifts

1) Lean Working

- Core thesis – organisations which strip out waste gain significant quality and efficiency advantages = Toyota
- Rhetoric was multi-skilling, task enlargement, worker participation in *kaizen* (Womack et al, 1990)
- Lean was counter-posed to Taylorism - removes mind-numbing stress with 'creative stress', participation etc.
- Hence *'work smarter, not harder'* mantra
- Yet workers' experiences in autos (Stewart *et al*, 2008)
  - *tighter supervisory control - narrow tasking*
  - *job stress - managerial bullying - lack of voice*
  - *traffic lights – workers on the edge*
- 'Consultemics' applying lean **efficiency** savings to public sector, FS, NHS, HE etc. (Radnor, 2010)

- In HMRC has created a brutal form of Taylorism (Carter *et al*, 2011)
- After Lean 95% say work 'very'/'quite' pressurised
- Pressure had increased 'a great deal' – 76%

'After 27 years in the Inland Revenue following the introduction of lean, I am now deskilled, de-motivated [and] stressed-out most days, afraid to be sick, feel unappreciated, provide a poor service for customers, am not allowed to voice my opinion, looking forward to the day I can leave for good'. (HMRC Worker, Cardiff)

- Statistical relationship between work intensity, time at work station, coming to work ill and frequency of symptoms (Carter *et al*, 2013)

Ill-health Symptoms and Time at Work Station

	% of time at work station		
	<85%	**85-95%**	**>95%**
	Daily/several times a week		
Mental fatigue***	47	42	62
Physical tiredness***	45	43	62
Stiff shoulders	28	38	45
Stiff neck**	29	38	47
Stress**	31	33	42
Backache	25	32	44
Headaches	21	26	33
Pain/numbness in arms/wrists*	17	24	31
Eyesight problems*	15	19	29
Blocked nose**	5.0	15	22

2) Performance Management

- Measurement of performance central to management
- Alignment of individual with organisational objectives
- HRM gives an Orwellian account - '*Agreed*', '*shared*', '*mutual expectations*', '*dialogue*', '*support*', '*guidance*'
- Performance Appraisal perhaps an 'annual ritual'
- Questionable link between effort and reward
- PAs annual, 6-monthly – always subjectivity problem
- PM now not periodic and retrospective, but continuous, forward looking and shift to disciplinary purpose
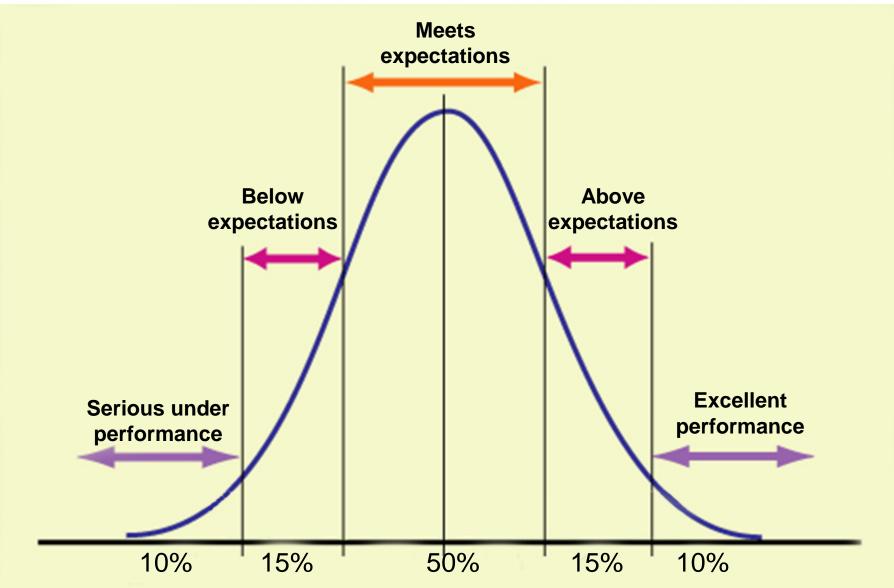- Performance Improvement, PIPs, Managing Performance, PIMs, IIPs – the real bite in PM

- Micro-measurement and micro-management of individual performance – facilitated by technologies
- *Quantitative* outputs and targets – AHTs, CHTs etc.
- **KPI**s, **SLA**s – determined at the top, 'cascade down' through tiers of managers, to TLs and then workers
- Removing the discretion of the FLM – tight links in the chain of command – *'nothing to do with me'*
- Managers themselves given targets for the numbers of 'managed exits', underperformers, SAP actions etc.
- What is bullying? Is it 1-1 relationships or systemic?
- Even the so-called measurables are 'pseudo-science' - parameters and definitions set by management
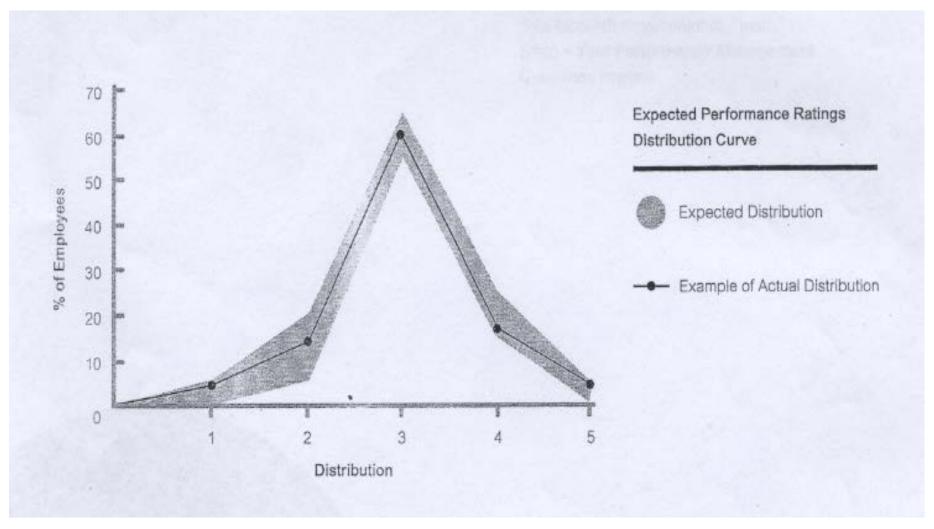- The *subjectivity* of so-called objective criteria

- New management language – 'measurables' 'deliverables', 'metrics'
- *Qualitative* behaviours and attitudes -
- FS co. 13 different - '*delight the customer*', '*speaks up*', '*shares ideas*', '*Do what is right for the customer, community and organisation, putting aside own agenda*' '*Act like the owners of the business…*'
- *Quantitative* measures strictly imposed
- Evidence from FS and telecoms that targets first systemically used in contact centres then spread
- HMRC– 6 tax cases an hour, 80 for opening letters
- BT engineers – tightly timed jobs, monitoring
- Universities – workload models, 'dashboards', REF

The Performance Management Bell Curve

Expected Performance Ratings Distribution Curve

⬤ Expected Distribution

──●── Example of Actual Distribution

- Widespread discontent and conflict but perhaps not formal 'grievance' over rankings or ratings
- Changed criteria -1s and 2s both underperformers
- 'Round table process', 'calibration' or 'grandparenting' – to prevent FLMs inflating scores – fixed pot of money
- Bank branch of five – 1 placed in each category
- Speed of managing people out - 12 weeks, 6 weeks
- Gender, age, disability
- Scale of intimidation – in one bank 10% on actions
- Excellent in all categories but one and then PIP'ed
- 'War for Talent' (Michaels et al, 2010) – get rid of 10%

'There was quite a sinister practice that we were to use – the car-park conversation. A manager would be expected to take an employee, who had received poor performance score, outside for an informal discussion. The manager would then start a conversation along the lines of, 'You know your last review. It's only going one way, isn't it? You should perhaps think about coming to an arrangement'. It was important that the manager would never make any explicit suggestion that the worker should leave. We were given training in how to conduct these conversations; a one-day course on employee relations for HR managers, where we would go through the best mechanisms for ensuring that an employee would voluntarily suggest a compromise agreement'.

Sickness Absence Management

- Public discourse that malingering is endemic in 'sick note Britain', swinging the lead' or 'duvet days'

*'At a direct cost of £17bn, absence remains a significant burden on the UK economy…particular concern in the public sector, where absence levels remain substantially higher (*CBI, 2011)

- Focus on - *short-term absences – associated with 'sickies' + long-term sickness*

- Aim to reduce sickness absence to acceptable (i.e. negligible) levels

- Raft of prescriptive measures introduced for when workers go sick *plus* metrics, scores and triggers

- Bradford factor – penalises short-term sickness, gender

- Yet, sickness absence historically low – 8.5 days in 1998 and 6.5 days in 2011 (CBI)
- 'Sickies' linked to weekends/sport is largely myth Public sector explained by age, gender etc. (HSE**)**
- **Presenteeism** a main trend and problem (CIPD, 2012)
- Strict sickness absence policies and practices
- Studies over 15 years show increase in coming to work when ill, because of SAP, fearful of discipline
- Exacerbates the problem (Taylor *et al*, 2010)
- Glasgow City Council study – Unison reps spend 46% of time on sickness absence cases
- *'I had my first cancer'* – HR Manager from LA

Conclusion

- Employer strategies using punitive PM and SAPs may be short-termist but driven by cost-cutting compulsion
- Enormous commitment of managerial time/resource
- The Bell curve should be rejected as inapplicable to employee performance – in principle and practice
- Potentially discriminatory – DDA, Equality and Age
- Union proactivity in challenging unfair rankings
- H&S and stress audits at work should be implemented
- Opposition to Beecroft, protected conversations and erosion of employment rights
- Public exposure of the worst cases of *'new tyranny in the contemporary workplace'* – name and shame
- What about non-unionised workplaces – 26% density

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The Vicious Circle