Workplaces in Recession & Recovery

Bill Roche

Professor of Industrial Relations & Human Resources

School of Business

University College Dublin

Presentation to NERI/Queen’s University Belfast, Labour Market Conference, May 1st 2015
Focus

1. Employers
2. Trade Unions
3. Employees’ work experiences
4. Conclusions
1. Employers

**Private Sector**
- Retrenchment & improvisation
- No evident shift in the centre of gravity of work and employment practices or models

**Public Services**
- Pay-bill focused reform programme
- Return to SMI HR reforms
- Greater determination evident
- No shift in the centre of gravity of work and employment practices
Cuts in Pay Bills and Their Components in Private Sector Enterprises

<table>
<thead>
<tr>
<th>Period</th>
<th>% Firms Cutting Pay Bill</th>
<th>% Cuts in Employment</th>
<th>% Cuts in Average Hours</th>
<th>% Cuts in Average Hourly Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008-2009</td>
<td>67</td>
<td>52</td>
<td>39</td>
<td>36</td>
</tr>
<tr>
<td>2009-2010</td>
<td>54</td>
<td>43</td>
<td>22</td>
<td>27</td>
</tr>
<tr>
<td>2010-2011</td>
<td>41</td>
<td>29</td>
<td>18</td>
<td>18</td>
</tr>
</tbody>
</table>

Notes: Periods shown extend from 3rd quarters to 3rd quarters of each year. Data cover firms reducing pay bills by more than 2%.

2. Trade Unions

- Accelerated decline in union density
- Concession bargaining evident
- Little evidence of ‘integrative’ or ‘ultra’ concession bargaining
- Sectorally-confined pay rounds since 2011 & generalized pay round imminent
The Trend in Trade Union Density in the Private Sector Before and During the Recession

Source: Based on CSO, Quarterly National Household Survey micro-data (Walsh 2014)
The public service data comprise public administration, defence, compulsory social security, education and human health activities.

Source: Based on CSO, Quarterly National Household Survey micro-data (Walsh 2014)
3. Employees’ Work Experience

- Increased job insecurity & rise in work pressure/intensity

- Little evidence of recession-induced changes in work regimes
  - time-series (2004 and 2010 waves of EVS Survey)
  - cross-section (2010 Wave of EVS Survey)

- Current priorities: pay rises & pay restoration
**Work Pressure 2003 and 2009**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Job requires that I work very hard</td>
<td>62</td>
<td>63</td>
<td>20</td>
<td>26</td>
</tr>
<tr>
<td>Great deal of pressure</td>
<td>41</td>
<td>44</td>
<td>10</td>
<td>14</td>
</tr>
<tr>
<td>Not enough time to do everything</td>
<td>32</td>
<td>34</td>
<td>6</td>
<td>13</td>
</tr>
<tr>
<td>Often have to work extra time</td>
<td>38</td>
<td>35</td>
<td>9</td>
<td>13</td>
</tr>
</tbody>
</table>


**Work Intensity 2004 and 2010**

<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th>2010</th>
<th>2004</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job requires that I work very hard</td>
<td>57</td>
<td>50</td>
<td>22</td>
<td>32</td>
</tr>
<tr>
<td>Never enough time to get everything done</td>
<td>29</td>
<td>30</td>
<td>9</td>
<td>9</td>
</tr>
</tbody>
</table>

Source: European Social Survey, Ireland data files for 2004 and 2010 waves.
Mean Levels of ‘Work Control’ Reported by Employees in 2004 and 2010

The work control measure is a composite of answers to 3 questions: ‘how much the management at your work allows you to’:

1. ‘Decide how your own daily work is organized’
2. ‘Choose or change your pace of work’
3. ‘Influence policy decisions about the activities of the organization’

Answers to each question on a 10-point scale ranging from 0 = ‘I have no influence’ to 10 = ‘I have complete control.

Source: Data from the Ireland 2004 and 2010 waves of the European Social Survey
## Effects of Recessionary Financial Difficulty and Changes in Employment on Levels of Job Control (OLS Regression Results)

<table>
<thead>
<tr>
<th>Dependent Variable</th>
<th>Independent Variables</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work control</td>
<td>Financial Difficulty Employment Changes Financial Pressures &amp; Employment Changes</td>
</tr>
<tr>
<td></td>
<td>Beta</td>
</tr>
<tr>
<td></td>
<td>0.03</td>
</tr>
</tbody>
</table>

Notes:

- N = 915 employees.
- Two tailed t tests for significance of independent variables.
- R² Change for model adding financial difficulty and employment changes to model containing control variables is not significant at p < 0.5.
- Controls included for industry sector, domain (private or public), occupational groups, size of employing organization, gender, whether employed on a temporary or permanent contract, union membership and occupancy of job requiring supervision of work of others.

4. Conclusions

- Economic perturbation, retrenchment, improvisation insecurity and increased work pressure

- Declining density, concession bargaining but no radical onslaught on union recognition or collective bargaining

- No major change in workplace regimes as experienced by employees
Trend in Irish Trade Union Density from Mid 1990s