



GLOBALIZATION, WORK INTENSIFICATION AND WORK-LIFE BALANCE

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Abstract

The performance and change challenges experienced by organizations in the global village are unprecedented and there is every reason to believe that these will continue to grow. In the incessant quest for higher performance, the pressures felt by organizations are being deflected on to their employees. This has resulted in a profound change in the employment relationship, making it more transitory and flexible. This paper looks at the impact of globalization on the employment relationship and work intensification. The results based on a sample of 77 employees from 34 private sector organizations indicate that work intensification is prevailing at significant levels. These findings suggest that it is time for a rigorous empirical look at work intensification and work-life balance. Finally, the managerial implications of the suggestions made by the respondents for moderating the work intensification are discussed.

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Introduction

The work environment has radically changed in response to globalization, and rapid technological advancements. While, globalization has created enormous opportunities for growth and development, it has also sharply intensified competition. Companies can compete anywhere in the world, can access intellectual capital from across the globe and can move their products and services to almost any location. In virtually every business, organizations have been able to improve their products and services in the following four areas: -

a.) Quality b.) Production costs c.) Speed to market d.) Innovation

In the past, companies often slacked in one or more of the above parameters. If an organization could get a product out quickly, customers would pay more for it and would to a certain extent tolerate defects. Alternatively, if the prices were low enough, customers would accept poor quality, some slowness in service or both. Today, there is little tolerance for substandard performance in any area. Customers want and get value; they do not have to tolerate sub-par performance, for they can readily turn to alternative sources that offer faster, cheaper, better and more innovative products and services.

All these factors pose tremendous challenges and have resulted in organizations becoming increasingly aware that in order to survive and be competitive in the new global economy, they need to continually reinvent themselves.

The performance demands that organizations face, combined with the rapid strides in technology and changes in the nature of work, have led to an irreversible change in the relationship between employers and employees. This change has been in the form of a shift from a relatively permanent employee relationship to one that is more transitory, resulting in new forms of work organization. Expressions like downsizing, lean-production, flexibility, teleworking, outsourcing, and contingent work are being used to describe different aspects of these changes. However the overall impact is towards the dissolution of rules and limits, increasing work intensification and much lesser job security.

Review of the Literature

Work Intensification:

A study by Burchell (2002), focusing on work intensification found a trend towards:

- Fewer working breaks
- Understaffing
- Pressure to work fast
- Pressures to work for meeting tight deadlines

The quest for higher productivity has resulted in the pursuit of fitting the size of the employed workforce and paid working time as closely as possible to the volume of output immediately required. The drive towards flexibility has threatened many of the "job features" that are strongly valued by employees, including job security, control over the pace and flow of work, and the enjoyment of reasonable working hours.

Many organizations in search of a "competitive edge" have adopted the "lean production paradigm". Its advocates suggest that it would enable companies to run their businesses with half the human effort in half the production time. However, researchers and social scientists point out that lean production has usually meant fewer jobs, heavier workloads, long and extended work hours and constant "speed-up."

Another strategy being adopted for gaining a competitive edge is that of mergers and takeovers which invariably set off a process of workforce restructuring and redundancies. The distinction between voluntary and compulsory redundancy is not always clear and often the avoidance of redundancy is conditional on the acceptance of flexible working hours and pay moderation.

A demanding job can be seen as challenging and can result in increased job satisfaction. If one were to follow the adage, "*Hard work never killed anyone,*" work intensification should be welcomed as a sign of increased efficiency and competitive advantage. However, studies from around the world show that when jobs become too demanding, leading to pressure and work overload, they exert a detrimental effect on the psychological health and well-being of employees.

Different terms, all measuring essentially the same construct of "*having too much to do*" can be found in the occupational stress literature. Work overload has been defined as "the degree to which employees, in the course of their job, have to deal

with excessive high work demands, which force them to make use of their reserve capacities". The boundaries between work and private life have increasingly blurred, regular and fixed working hours have become the exception rather than the rule. Time pressures, mental overload, simultaneous work, overtime and home working result in difficulty to relax, chronic tiredness, exhaustion and burnout. *Work intensification, intensive work or work overload* is the label used for these demanding schedules.

The literature makes a distinction between the qualitative and quantitative aspects of a person's workload. The former relates to the difficulty and complexity of their work whereas the latter refers to the amount of work they have to do. Overloading on both these dimensions is treated as work intensification. Further, it is not so much the short-term exposure to work overload that causes a problem but rather the chronic overload, where a person has to deal with too much work over an extended period of time.

Recent incidences of intensive work reveal even more nuances: employees in modern networked companies are required to demonstrate "*right-first-time*" approaches and are expected to improve their productive capacities by a considerable magnitude each year. Multiple demands put forth simultaneously from a multitude of different, unrelated sources, by all sorts of different stakeholders heighten the pressure. For instance, an employee who is having face-to-face discussions with colleagues could be receiving incoming calls, voice mails, and e-mails - all at the same time. It is not unusual to receive 40-50 e-mails per day, most of which require either a time-bound reply or some action. Demands arising from having to be constantly "on call" can also generate high levels of stress. Technology has thus added the expectations of immediate response and solutions to the workplace.

The intensive exploitation of any resource cannot be continued indefinitely. It is a truth of which most farmers are all too aware. Soil erosion, soil-exhaustion accompany the intensification of crop production and impose an "optimal limit" beyond which further intensification "is no longer cost-effective". By analogy, if managers continue to exhaust their human resources through work intensification-how long will it be before such practices cease to yield further increases in productivity? For as Polanyi puts it:

"The alleged commodity "labor power" cannot be shoved about, used indiscriminately, or even left unused, without affecting also the human individual who happens to be the bearer of this particular commodity. In disposing off a man's labor power, the system would incidentally, dispose off the physical, psychological and moral entity "man" attached to that tag."

Methodology

Design:

This study was conducted to assess the levels of work intensification, and to seek suggestions from the respondents for moderating the resultant pressures. Empirical data was collected through questionnaires combined with in-depth interviews with a few of these employees. A 5-point Likert type scale was used to measure the response to each item.

Sample and procedure:

To obtain a diverse sample, questionnaires were sent to white collared employees of a cross-section of private organizations based in Bangalore. The final sample was composed of 77 employees from 34 organizations. This was a satisfactory and desirable feature as it represented the responses of employees from across a wide range of organizations. Of these 67 were permanent employees and 10 were temporary. The sector wise break-up was as follows: -

IT sector - 22 employees, IT enabled services - 6 employees, BPO & Call centres - 8 employees, Financial Services – 17 employees, others – 24 employees.

Measures:

Work Intensification

In a recent review of the literature on work intensification, Green suggested a number of ways in which the work effort might be measured. Apart from self-report, the other possibilities he considers are by quantifiable proxy (for instance, industrial accidents), case studies, productivity and a measure called "Percentage Utilization of labour" based on work-study. But he suggested that none of these measures were reliable or valid enough to be useful. There are too many other influencing variables, apart from effort. For instance industrial accidents are also strongly influenced by health and safety regulations and enforcement whilst productivity is a function of abilities, motivation and opportunities to perform. This leaves self-report measures as the only reliable indicator of work intensification, and the same was used in the study.

Work intensification was ascertained by asking the respondents to indicate the frequency of their working at "high speed" and "against tight deadlines" on a 5-point scale with anchors ranging from "never" (1) to "All the time" (5)

To measure the trend of work intensification, respondents were requested to indicate whether over the past 5 years, the effort that they were putting into their job had: increased substantially, increased moderately, not changed, decreased marginally or substantially decreased.

Further, open-ended questions were included in the questionnaire asking the:

1. Steps initiated by the respondent's organization for reducing work intensification and the resultant stress.
2. Suggestions of the respondents on the measures that could be taken by organizations for moderating the pressures of work intensification.

Findings and Discussion

1. The percentage of respondents experiencing a substantial increase in the effort that they were putting into their job was 51%, 35% reported a marginal increase, 8% reported no change, while only 6% reported a marginal decline. None of the respondents reported a substantial decline in the work effort over the last five years. These results are indicators of the considerable level of work intensification experienced and are shown by way of a pie chart in Figure no. 1 below: -

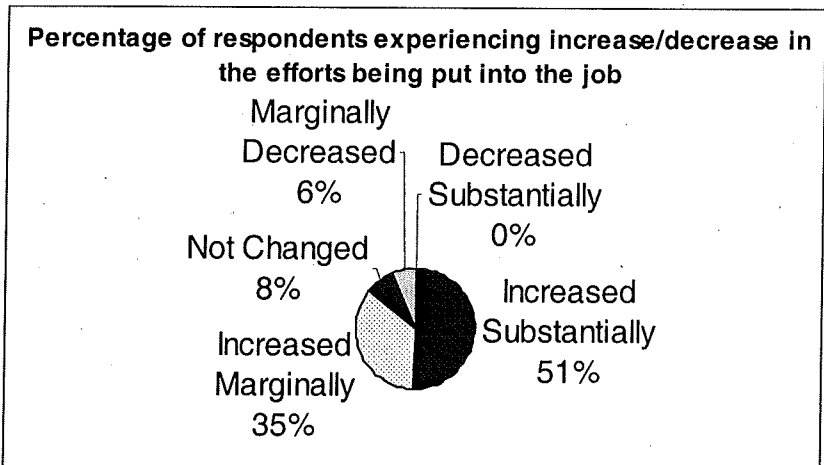


Figure No. 1

2. 50 (i.e. 65%) of the respondents reported that they needed to work at high speed, 12 of these (i.e. 16%) reported to be doing so "all the time", while 38 (i.e. 49%) were doing it "most of the time". The same is shown as a Bar-Chart in Figure no. 2

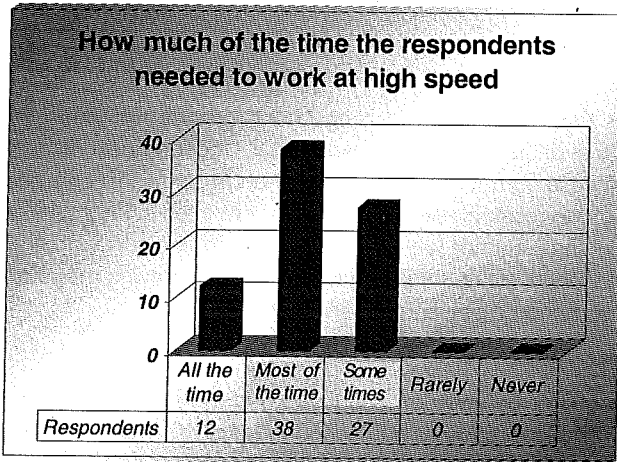
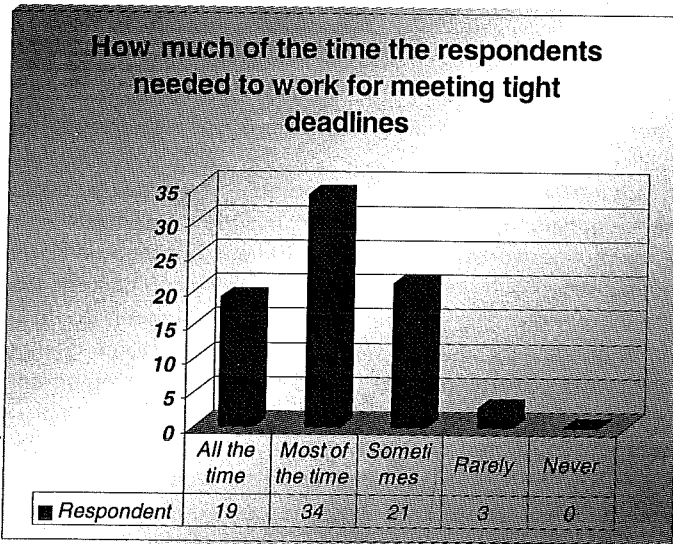


Fig. 2

3. 19 (i.e. 25%) of the respondents reported that they needed to work "all the time" for meeting tight deadlines, 34 (i.e. 44%) reported doing so "most of the time", 21 (i.e. 27%) were doing it "sometimes" and only 3 (i.e. 4%) reported to be doing so "rarely".



Suggestions for Moderating the Performance Pressures

In response to the open-ended questions there were several suggestions put forth for reducing the work intensification. These were categorised under broad themes and are furnished below: -

a. Not to reduce headcount just for shoring up the bottom line-

Companies that resort to downsizing only to ensure that their enhanced profit targets are met at any cost do achieve short run advantages. Also, in an economy driven by intense competition, the temptation for others to emulate their actions becomes hard to resist. However, these gains are often at the cost of excessive work pressures and insecurities fuelled in the psyche of the surviving employees. Thus downsizing should not be simply an exercise for identifying monetary savings, but should be undertaken only after an in-depth analysis.

b. To provide supportive work systems:

"In any encounter between an employee and the system, you can count on the system to win". This refrain is a terse reminder of the fact that people work within the limits of the work situation in which they are placed and only within these limits do they then exercise their capacity to achieve. Edward Deming, the Quality Guru had also subscribed to this view by noting that differences in individual performance were largely due to systems variations.

As we all know, performance is a function of abilities, motivation and opportunities to perform.

$$\text{Performance} = f(A * M * O)$$

Where A= abilities, M= motivation, O=opportunities & resources to perform

Even though an individual may be willing and able, there may be obstacles that constrain performance. Opportunities to work include supportive work rules and procedures, helpful co-workers and staff, equipment, information flow, etc. If all these are not designed with performance in mind, they can become unintended limitations to the performance of employees. If managements could know that some elements of the work situation were unintentionally standing in the way of improving their work performance, they could consider removing or reducing the obstacle based on the marginal payoff for doing so. The problem is that managements typically do not know with certainty the things that are getting in the way of their employees' performance the most. And even if employees recognize such problems and their causes, they should have the courage and permission to

mention them to the management and herein comes the role of a democratic and open culture that encourages employees to impress upon the management the need to make such changes.

Organizations should thus accord due recognition to the influence of the work environment and systems and nurture a climate which permits open dialogue so that relatively easy opportunities for substantial improvement in organizational performance are not overlooked.

c. Creating a culture with "tolerance for mistakes":

Consistent growth owes a debt to learning from mistakes. As long as the employees actions are in keeping with the organizational values of integrity and performance, if an organizational culture has a high tolerance for mistakes, it could empower employees to rise to a calling that's bigger than them.

Clearly the message to organizations is to recognize the value of honest mistakes and not to crucify employees who commit them.

d. Moderating the pressures for long hours and presenteeism:

The unsaid rule in many organizations is, *"If I'm your boss, you should be at work before me, and you should be there when I leave."* Often the emphasis is more on the hours worked and not on the work accomplished. "Flexible Hours" have begun to mean, *"The employee can come earlier, leave later and work through lunch"*.

A deeply ingrained culture has developed in many organizations, which values long hours and presenteeism or "face time" - the more hours employees put in, the better. The present study also has revealed that the typical average workweek exceeds 55 hours with a considerable number of respondents spending over 12 hours a day in the office.

Studies reveal that people can be just as productive - and sometime even more so when they worked fewer hours. This is possible due to the fact than when they're working those fewer hours, they are extra motivated to get things done, and they don't waste any time in doing what they need to do.

It would therefore help if organizations could re-examine their existing practices and policies and ask the following fundamental question:

"Why are we doing it? Does it add value, improve quality, improve service or improve productivity?"

Many a times, this simple exercise would result in reducing the continuous pressures for long hours by eliminating unnecessary paperwork, inefficient procedures and redundant meetings.

e. Minimizing the fear factor:

Another factor reported by some of the respondents as a cause for adding to their stress was that their performance ratings were being made on a person-versus-person basis rather than a person-to-established standard basis. Known as "*Forced Rankings*", practices like these contribute to an increasing level of insecurity leading to downright fear amongst the employees of many a modern corporation. Jack Welch, former CEO of GE is probably the best-known proponent of forced rankings. In GE, these rankings are known, as "*Vitality Curve*", and the employees ranked amongst the bottom 10% generally have to go. In his book, "*Jack, Straight from the gut*", Welch defended this system by stating that, "The characterization of vitality curve as cruel stems from false logic and is an outgrowth of a culture that practices false kindness".

Admittedly, the current globalized and liberalized climate makes it especially hard to totally avoid such practices. However, organizations should take conscious steps to minimize "the fear factor" as the rise in work intensification and the ever increasing pressures to perform has worrying implications, not just for individual employees and their families, but for the health and efficiency of the economy as a whole.

f. To take proactive steps for maintaining work-life balance:

Work-life balance is not something that just happens; it involves the efforts of a number of partners: the employee, the organization, the family and the society in which all are embedded. This balance brings tangible benefits to organizations in the form of:

- Employees feeling more valued and more loyal to the organization
- Increased motivation and job satisfaction.
- Reduced levels of stress.
- Reduced levels of absenteeism
- Achieving the status of a preferred employer and thereby improving retention and attracting talent.
- Better working relations.

In many developed nations, there is an increasing concern about work-life balance. Research programs have examined the impact of an imbalance between work and

personal lives, work-life balance audits are regularly undertaken by organizations and measures initiated for improving the same. However, this aspect needs to be given due attention in India. It should form a part of the responsibility of organizations, as employers, to recognize that their employees have life outside work and that there is a close relationship between their home-life and their motivation at work.

Limitations

The study had a few limitations. The self-report method used could cause self-report bias. Further, the study focussed on work intensification as defined by one of the parties - the employees. For a complete picture, the employers' side of the picture could also be studied.

Despite these limitations, the findings provide empirical evidence of the considerable levels at which work intensification is prevailing amongst the sample and also suggest directions for future research in the Indian context. Further, the suggestions put forth by the respondents for moderating the pressures exerted by work intensification have practical implications for managers.

Conclusion

The work environment has radically changed in response to globalisation, technological advancements and instantly linked communications. One of the fallouts of these developments has been the abandonment of the old benchmarks for assessing workloads, work contents and time in employment. This has resulted in work intensification becoming a hallmark of contemporary work. Often productivity is being used to legitimize methods that push employees to the limits of their physical and mental capacities.

The social costs of work intensification and non-standard employment contracts are difficult to quantify, but the damage that they cause to the social environment cannot be ignored. Thus, there is an urgent need for identifying the extent of work intensification, developing yardsticks for measuring it and implementing steps for moderating it.

This paper is an academic plea for undertaking such an exercise and represents a relatively modest and comprehensive attempt to investigate the impact of globalisation on the levels of work intensification amongst the random sample. Although no single study can provide conclusive evidence on issues as complex as

those examined here, the results have several managerial implications as well as likely directions for future research.

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